





## NEWS

in brief

## Shmeruk, Yiddish scholar, dies at 76

Chone Shmeruk, widely considered the most prominent contemporary researcher of Yiddish, has died. He was 76.

A statement yesterday from the Hebrew University of Jerusalem said he died in his native Warsaw of unspecified causes and would be buried there. Shmeruk, a former chairman of the university's Yiddish Department, was a Yiddish language and literature expert who also wrote extensively on the history of East European Jewry. Shmeruk, who immigrated here in 1949, won the Israel Prize last year. In recent years Shmeruk taught Yiddish literature in Poland, and lived there with his wife and son. He is also survived by two daughters and six grandchildren. AP

## IDF chief chaplain released from hospital

Israel Defense Forces Chief Chaplain Maj.-Gen. Gad Navon was yesterday discharged from Hadassah-University Hospital, Ein Kerem after four weeks of treatment. He suffered a heart attack on Jerusalem Day during a ceremony at Ammunition Hill, and was rushed to the intensive-care unit. Because attaching him to a heart-lung machine was regarded to be dangerous, doctors performed bypass surgery without stopping his heart from beating, and also expanded his coronary arteries using angioplasty. Prof. Yonatan Hasin, head of the coronary intensive care unit, said the 75-year-old Navon was being sent home in good condition.



Gad Navon

Judy Siegel

## Bus 405 victims remembered

"Time is no cure and bereavement is hard to bear," President Ezer Weizman said yesterday, at a memorial ceremony for 16 passengers who were killed eight years ago when a terrorist grabbed the wheel of an Egged bus No. 405 on its way to Jerusalem, forcing it off the highway and over a precipice. Bereaved relatives and survivors of the attack, in which 27 were injured, were also present at the memorial, which was erected off the highway near the site of the crash. Weizman noted the progress toward peace since the time of the attack, encouraging the families to remain strong, be optimistic, and look on the future with hope. Itim

## Tsomet council to prepare for early elections

The Tsomet council met in Morag yesterday to prepare for the possibility of early elections, but at the same time expressed support in Prime Minister Binyamin Netanyahu's government.

Tsomet leader Agriculture and Environment Minister Rafael Eitan said the peace process has stopped, since the government cannot continue the process which the previous government started. Deputy Education Minister Moshe Peled said Tsomet has no intention of initiating early elections or otherwise weakening the government, "but Tsomet will not be caught with its pants down." Michal Yudelman

## Arson suspected in fires in the North

Fire Service officials and police have boosted their manpower in the North in an attempt to catch arson suspects, following two large fires that are suspected to have been deliberately set.

A huge fire on the Golan Heights that broke out Saturday and took all night to extinguish almost completely destroyed Hayarden Park and the area's nature reserve. Some 1,500 dunams (375 acres) of woodland were destroyed. Another large fire that broke out yesterday evening in the Naftali Hills in the Northern Galilee was put out relatively quickly, but some 1,500 dunams of brush and pasture were burned. Itim

## Former MK guilty of bribery, fraud, breach of trust

Former Labor MK Yosef Vanunu, 52, was convicted of bribery, fraud, and breach of trust charges yesterday by Beersheba District Court. Vanunu, mayor of Kiryat Malachi between 1989 and 1994, bribed then Likud city councilman Gabi Aloush to cross party lines and join his municipal coalition, by arranging a fictitious NIS 3,000 a month job for him in the local branch of the Hapoel sports organization. In total, Aloush - who was convicted of accepting a bribe, fraud, and breach of public trust - collected some NIS 54,000 for switching from the Likud to Labor. Judge Yitzhak Banai announced he would pass sentence at a later date. Itim

## Likud waits for Meridor announcement

By MICHAL YUDELMAN

The anticipation of former finance minister MK Dan Meridor's announcement that he plans to challenge Prime Minister Binyamin Netanyahu for the premiership is another cause of tension in the coalition.

Meridor told Likud figures last week that he is going to run against Netanyahu, and he is expected to make an official announcement this week.

Likud sources said it is still not clear whether he plans to challenge Netanyahu within the Likud for the party leadership, or form a new center party to challenge him from the outside.

The report of Meridor's meeting with Tel Aviv Mayor Ronni Milo, Tourism Minister Moshe Katsav and Foreign Minister David Levy in a Tel Aviv restaurant last Thursday sparked a flurry of speculations as to Meridor's plans.

Milo said over the weekend that most of the restaurant story was

based on a misunderstanding. He said he was checking something out on Hayarkon Street when he ran into Meridor, who asked him where he could find a kosher restaurant, whereupon Milo took him to the kosher Chinese restaurant on that street. There they were joined by Katsav, who had come to meet someone else.

No sooner had the proprietor seen the mayor, former finance minister and tourism minister together, than he came over with a bowl of punch. Suddenly Levy entered and approached their table.

"What are you doing here?" he asked in surprise, according to Milo. "We're having punch," replied Milo.

"What, a punch?" asked Levy (in Hebrew the two words sound alike), according to Milo.

Levy said afterwards that he met Milo and Meridor accidentally, and had actually come to meet his brother, MK Maxim Levy, who was sitting at another table in the same restaurant.

## Hebron principal blames IDF for vandalized Korans

By JON HIRSHMAN

A Hebron school principal revealed yesterday that on Saturday she found copies of the Koran ripped and strewn over the floor of one of her classrooms, and she blamed IDF soldiers for the vandalism.

The Yaakoubi girls' school, where principal Arefah Abeido discovered the vandalism, has been closed for the past two weeks. It is under the control of the IDF and has been used as a lookout post over Shalata Street, the scene of recent rioting.

Abeido said she telephoned the Palestinian Authority's Education Ministry on Saturday and was told to leave things as she found them - shelves overturned, copies

of the Koran strewn on the floor, a framed photograph of PA Chairman Yasser Arafat smashed and ripped into pieces, and paint splashed on the walls, with the initials of Hamas and Fatah signed on the walls.

In an investigation conducted yesterday by Israel's district liaison officer Col. Baruch Naggar with his Palestinian counterpart Abu Issa Sweidi and Abeido, it emerged that the door to the room which had been vandalized had been opened by a key.

"The soldiers who used the building did not have a key to that room," said civil administration spokesman Lt. Peter Lerner. Abeido disputed this, however, saying "the army had keys to all the rooms."

"The Jews have declared a religious war

against the Palestinians and I want to know where is the Moslem world, why is it not defending the Moslems of Hebron?" she asked.

Hebron Mayor Mustafa Natshe said last week that one of the reasons he was sure soldiers must have helped distribute posters of Mohammed portrayed as a pig writing the Koran was the fact that some were placed under the door of the Yaakoubi school, and only the IDF has access to the school.

Despite the new incident, Hebron was relatively calm yesterday. There were no clashes between soldiers and rioters.

Security sources said that plainclothes preventive security police discreetly acted

to prevent demonstrators from congregating and roadblocks at the city entrance kept out-of-town agitators away.

The IDF Spokesman said last night that several firebombs were thrown at IDF troops and Border Police in Hebron yesterday afternoon. There were no injuries or damage.

Chief Rabbi Yisrael Lau condemned the desecration at the school, saying "The bitter experience of the Jewish people teaches that attacks on religious values precedes attacks on human lives. We don't know who was responsible for this criminal act, but the act itself deserves full condemnation, like the image of the pig which is an abomination to Judaism and Islam."

## PA arresting land dealers

By JAY BUSHINSKY

The Palestinian Authority is expanding its crackdown on residents of the West Bank and Gaza Strip suspected of aiding or abetting in the sale of land to Israeli real estate agents.

Arrests and internment have become frequent and routine throughout the areas under PA control, a well-informed Palestinian source said.

"Every day the police arrest people and send them away for interrogation," he added.

The PA's chief law enforcement official, Freih Abu-Medeen, who generally is referred to as its justice minister, was quoted as having told an audience in Bethlehem that persons taken into custody in the past 48 hours either will be released or put on trial.

His statement coincided with a report published in the Arabic daily *Al-Hayat al-Jadida* (The New Life) that four Palestinians from the West Bank village of Nabalin, one of whom was said to be 55 years old, are under arrest.

"They assisted in the sale of land to the 'conquest' - a euphemism for Israel - and in facilitating commercial deals with speculators," the newspaper said.

Nabalin is under the PA's administrative jurisdiction, but Israel is in control insofar as local security is concerned.

## Kibbutz in mourning after death of IDF officer

By DAVID RUDGE

News of the death in action in south Lebanon of Maj. Nadav Milo cast a pall of mourning yesterday over Kibbutz Sde Eliyahu where he lived with his family.

"He was a righteous and God-fearing person and one of our leading sons. He was an outstanding student at school and also in the army," said Hanoch Plesser secretary of the Beit She'an valley kibbutz, a member of the Religious Kibbutz Movement.

"Towards the end of his compulsory army service, after completing his additional term as an officer, he said he wanted to study at yeshiva."

"He told us that after yeshiva, after he had been strengthened, he would return to the army, although the army put pressure on him to continue."

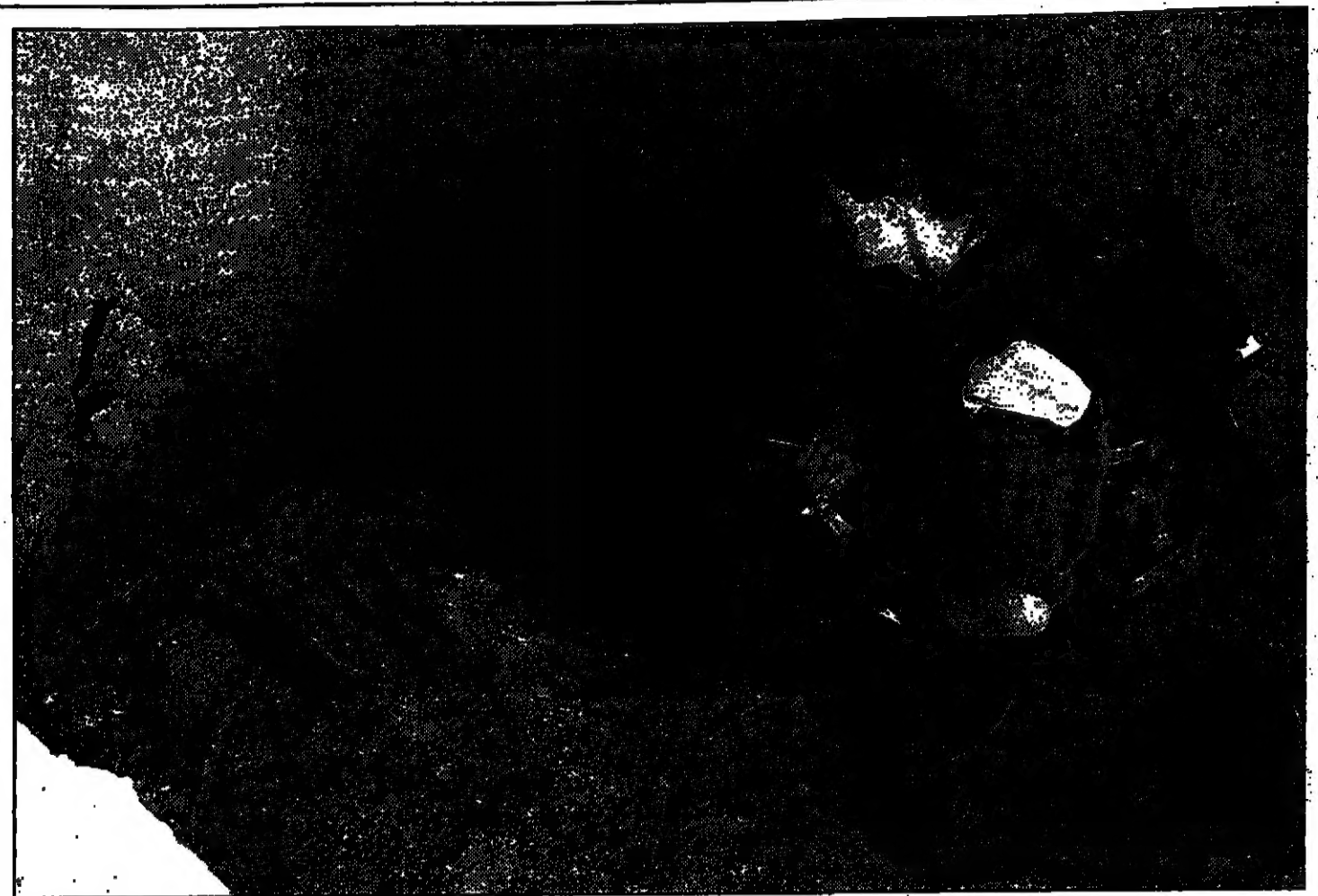
"He took a break of several months and studied at the Eli yeshiva and sometimes helped on the kibbutz, at home and working in the orchards and returned to the army around Succot," he said.

Plesser said Milo spent most of his time in the army serving in Lebanon and only occasionally came home to the kibbutz.

"He was not only intelligent and righteous, but also kind and gentle and loved by all, as well as being an outstanding officer," said Plesser.

"His father was an outstanding officer in the artillery and his elder brother (like Nadav) also served in the paratroop regiment, while his sister is now in the army and a younger brother who is still studying - an exemplary family," he said.

Milo, 24, is survived by his parents, sister and two brothers. The funeral is to be held at the kibbutz cemetery at 17:45 today.



Deep trouble

Two tunnels linking the Egyptian and Palestinian sides of Rafiah that may have been used to smuggle weapons into Gaza were blown up yesterday by the IDF. The commander of the Gaza District, Col. Lior, said the tunnels were wide enough for a medium-size person to pass through. The colonel told reporters he had no doubt that the Palestinian Authority was aware of the tunnels' existence and demanded that the PA prevent anyone from smuggling weapons or people through such tunnels. Palestinian officials denied the claims. (Text: Margot Dudenkovic; Photo: Reuters)

## Iranians demonstrate against 'pig' flyer

TEHRAN, Iran (AP) — More than 3,000 Iranians marched on the UN office yesterday in the latest protest against flyers distributed by an Israeli woman that depicted Mohammed as a pig.

The crowd chanted "Death to Israel" and "Death to America" and carried posters saying Israel should be destroyed.

Demonstrators, who walked or were bused from across the capital, also burned several US and Israeli flags.

The protest rally was organized by the Islamic Propagation Coordination Council, a government-run group charged with promoting Islamic values.

The woman who produced the offending poster has been jailed, and Israeli leaders have publicly apologized for the incident. But Syed Ahmad Khatami, who led Sunday's demonstration, called for killing everyone involved in producing or distributing the leaflets.

"We tell Moslems around the world that anyone in any position who insults Islam must be put to death," said Khatami.

The call by Khatami, a middle-ranking cleric, does not carry the weight of a religious decree but could inspire action by extremists. The cleric is not related to Iran's President-elect, Mohammed Khatami.

Khatami also told the rally that "with the help of God, Rushdie will be sent to hell by the Hizbullah." The remark about Indian-born writer Salman Rushdie was not believed to be a reference to the guerrilla group Hizbullah but to the Moslem community in general.

Rushdie has been in hiding in Britain since Iran's late revolutionary leader, Ayatollah Ruhollah Khomeini, issued a religious ruling in 1989 saying he must be killed for insulting Islam in his novel, *The Satanic Verses*.

Yesterday's protest was held outside the UN headquarters because there are no Israeli or American diplomatic missions in Tehran. Iran does not recognize Israel and relations with the US have been cut since the 1979

seizure of the US Embassy in Tehran by Iranian militants. Dozens of policemen stood outside the UN office in central Tehran, where a fence was put to keep the crowds at a distance from the building.

The area was closed off to traffic, and ambulances and firetrucks stood nearby. There were no reports of violence or arrests during the demonstration.

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## Assad, Iranian president meet

DAMASCUS (AP) — Syrian President Hafez Assad met with Iran's vice president Sunday to discuss Middle East peace and Turkey's military incursion into northern Iraq.

Syria and Iran both border Iraq and the two countries have sharply criticized the Turkish move. Turkey sent tens of thousands of soldiers into northern Iraq to fight Turkish Kurdish rebels. Most of the soldiers have withdrawn.

Hassan Habibi, the Iranian vice president, also discussed with Assad Turkish-Israeli plans to hold naval maneuvers this summer. Iran and Syria have been wary of military cooperation between Turkey and Israel.

Officials close to the Iranian delegation said Syria and Iran are planning to establish a joint economic committee to promote trade.

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# Police open probe into Shuafat housing

Yishai, Porush at center of storm

By ELI WOHLGELER

Charges and counter-charges over an alleged housing scandal involving Minister of Labor and Social Affairs Eli Yishai and Deputy Housing Minister Meir Porush continued to fly yesterday, while the head of police investigations announced he is opening an official investigation.

Allegations were first made on Channel 1 Friday night that some 40 percent of the apartments on the Shuafat ridge in northeast Jerusalem, facing Ramot, were sold to relatives and associates of political officials who were not eligible for the government-subsidized housing.

Yishai was alleged to have purchased a four-room apartment for \$110,000, selling it one year later for \$210,000. He said he was unaware that he was ineligible to purchase an apartment there, and that the Shas foundation through which he bought his apartment told him that even those who were not eligible for assistance could buy.

Porush acknowledged in a morning radio interview that some of his relatives did purchase homes in the neighborhood, but said there was nothing illegal about it. "Let those who are making accusations bring the necessary proof to show an illegal activity took place," Porush said.

Yehuda Levinger, head of the

National Religious Party's Jerusalem branch, also purchased an apartment through the Shas foundation, paying only NIS 400,000 for a five-room apartment. He already owned a home in the Ramot neighborhood.

The Shuafat ridge project was approved by the Housing Ministry and the Jerusalem Municipality for needy haredi families, including young couples and large families. It was begun under Ariel Sharon's tenure as housing minister, when United Torah Judaism MK Avraham Ravitz served as deputy housing minister. Most of the building and marketing was done between 1992 and 1996, when Labor MK Binyamin Ben-Eliezer was housing minister.

Ravitz said yesterday that 10 percent of the apartments built at the beginning were designated as non-subsidized housing to be sold on the open market, that the Israel Lands Administration made an additional 10 percent available for open-market sales after the project was finished, and that the other apartments were sold below market value to those eligible for subsidized housing.

"Probably a part of them, a certain percentage of them, sold it after they bought the apartment," said Ravitz. "We are not in the Soviet Union, that you are not allowed to sell your apartment, and you have to stay in the

apartment that you bought. "And probably the reporter, when he went there and said the figure of 40 percent, he misunderstood that it included the 10 percent to begin with you could sell as non-subsidized, and the 10 percent added later on."

Housing Ministry adviser Moshe Eilat said that not a single unit had been built or sold since Porush came into office, and that he had set up a committee four months ago to close all the loopholes involved in selling state-subsidized apartments to ineligible families. Eilat said the committee is expected to issue the new regulations within two weeks.

The finger being pointed at Porush, Eilat said, is over his having been the political figurehead of one of the original non-profit organizations, Agudat Yisrael, that were building and selling units.

Eilat said Porush met with State Comptroller Miriam Ben-Porat, and said to her, "What am I supposed to do, since I am involved at least as the figurehead, and she said 'You just have to announce publicly that you are not involved anymore in this non-profit organization.' And this is exactly what he did, before he came into office, during the election campaign."

Meretz MK Yossi Sarid said he plans to file a police complaint over the matter, calling it an affair of "massive corruption."

## BACKGROUND

## Shuafat's unprecedented deal

By HERB KENON

What is at issue in the Shuafat affair is whether people who were not eligible for cheap housing received it anyway, and then may have turned it into a handsome profit. Among those who Channel 1 alleged had reaped this type of benefit is Labor and Social Affairs Minister Eli Yishai.

Avraham Kehila, head of the Jerusalem Municipality's building and planning committee under Teddy Kollek, said the idea behind Shuafat was that it would both help solve the chronic haredi housing shortage and also prevent haredim from moving into the city's predominantly secular neighborhoods. Plans to build some 2,200 units at the site were approved in 1991, and actual construction began in 1992. People started moving into homes there as early as 1995.

According to an arrangement reached with the Housing Ministry, then under Ariel Sharon,

the land was to be provided free of charge to the contractors, who would then sell the apartments to needy haredim at considerable savings. The lists of buyers would be drawn up by a number of non-profit organizations, representing the various religious parties and apparently along party lines. Shas, Degel Hatorah, Agudat Yisrael and the National Religious Party.

Kehila said that the arrangement was unprecedented, and that the only areas where in the past land had been apportioned free of charge had been in the settlements. Generally people with economic difficulties are eligible for some NIS 70,000 in preferred mortgages from the Housing Ministry, not free land.

According to the television report, not all of the apartments — as was the original design — ended up in the hands of the needy. Instead, the report alleged that 40 percent went to people who did not meet these criteria, including a number of people who already had

homes elsewhere — like Yishai — and then turned around and sold the Shuafat apartments at a great profit. According to the report, Yishai bought a four-room apartment for \$110,000, and then sold it a year later — without ever having lived in it — for \$210,000.

The television further alleged that the apartments for a fraction of the real-market price were politicians or relatives of politicians with connections, such as relatives of deputy housing minister Meir Porush, who then headed one of these non-profit organizations.

Since the report was broadcast, Porush and Yishai have denied wrongdoing. Yishai said that he was able to buy the apartment because 10 percent of the homes were allowed to be sold to people who did not meet the eligibility requirements. Porush said he is unaware that any of his relatives bought apartments there, and that he was not involved in drawing up the lists.

## Habad marks the third anniversary of Lubavitcher Rebbe's death

By RAIME MARCUS

Today marks the third anniversary, according to the Hebrew calendar, of the death of the Lubavitcher Rebbe, Menachem Mendel Schneerson, and the Habad movement here is planning several activities to commemorate his death, including a major rally at the Yad Eliyahu sports stadium.

Since Schneerson's death in 1994, following a long illness, the worldwide Habad movement has been leaderless. While there had been tension between those among his followers who believed he was the Messiah and those who did not, there have been no serious disputes between the two groups, said the group's former spokesman, Berke Wolf.

"The rebbe passed away, leaving hundreds of thousands of orphans, so it is only natural that there are differences of opinion," he said. "But differences are only ideological and mostly can be sorted out by consulting with our rabbis."

At present there are two Habad newspapers, *Beir Hamashiah* and *Kfar Habad*. Financing for the papers, as for other Habad projects, comes from abroad, with different donors contributing to different projects, depending on their ideological bent.

"Habad's strength still lies in its educational institutions," said Wolf, who left for New York Friday for Schneerson's memorial service in

Brooklyn, expected to be attended by thousands. Schneerson left a will, which Wolf said is referred to when disputes arise.

Wolf's son Zalman said that Habad charities and institutions have continued to expand since the rebbe's death.

"One member went to an isolated island near Australia," he recalled. "He said that Habad was active at every place which stocked Coca-Cola. So the place he went to did not sell Coca-Cola. So he was a pioneer."

According to the elder Wolf, Habad operates in "every place that needs us" — including such countries as Hungary, Romania, South and Central America and the former Soviet Union. He himself has two sons active in Ukraine.

However one problem faced by Habad is the Ben-Gurion 2000 plan, a massive project to expand the existing airport and which will include an interchange adjacent to Kfar Habad, inhabited by 700 families. Petitions to the High Court of Justice opposing the interchange and other building plans, on grounds that people's lives in the surrounding moshavim, both secular and religious, would be disturbed, were rejected.

Zalman Wolf, himself a resident of Kiryat Malachi, also opposes the interchange.

"We are not prepared for Kfar Habad residents and their children to be disturbed by traffic on Shabbat," he said.

## Lieberman: No more questions

Prime Minister's Office Director-General Avigdor Lieberman said yesterday he does not intend to answer further police questions in the Geshet La'aliya affair.

In a letter to investigations chief Cmdr. Sando Mazar and

Attorney-General Elyakim Rubinstein, Lieberman complained of his questioning last Thursday regarding allegations he did not fully repay a loan he received when formerly the director of the Geshet La'aliya immigrant association.

Referring to a report in Friday's *Yediot Aharonot* that police have a basis for suspicions against him, Lieberman wrote that since the police have already decided the issue, he sees no point in answering more questions.



A hero remembered

Prime Minister Benjamin Netanyahu, flanked by his mother, Tzila, and wife, Sara, yesterday attends the annual Mt. Herzl memorial ceremony for his brother, Lt.-Col. Yoni Netanyahu, killed during the rescue of hostages at Entebbe on July 4, 1976. (Lance Harris)

## Haredi paper: Wipe out the kibbutzim

Kibbutz leaders consider suing for slander

By Jerusalem Post Staff and news agencies

Outrage prevailed in the kibbutzim yesterday after an article in the haredi weekly *Kol Hashavua* recommended that the collective farms be "wiped off the face of the earth."

The article, signed by columnist A. Barak, alleged that contrary to their hardy image kibbutzniks "don't work very much," exploit cheap labor from nearby towns, take up land that they have been given for free and milk the state for money.

"The correct way is to wipe out the last memory of this acci-

dent in the history of the Jewish people," it concluded.

Avshalom Vilan, the secretary-general of Kibbutz Ha'arzi, termed the article "scandalous" and said his group might sue the paper for slander.

Vilan added that the writer "represents a sector which is parasitic, does not work for its livelihood and does not participate in the country's defense."

By contrast, said Dubi Helman, the secretary of the United Kibbutz Movement, while kibbutz residents are only 2.5 percent of the population they are vastly overrepresented in elite military units.

The kibbutzim also account for over half of Israel's agricultural production and 14 percent of its industrial exports, he added, accusing the paper of "fanning the flames of intolerance and hostility between religious and secular Jews."

*Kol Hashavua* editor Asher Zuckerman, stood by the article and said it was a reaction to "incitement by the other side."

Zuckerman insisted the kibbutzim "have stolen from the Jewish people... billions of dollars" — a reference to the \$5 billion debt accumulated by the 270 kibbutzim over the years. Meretz leader Yossi Sarid

wrote a letter to Attorney-General Elyakim Rubinstein, demanding that he order the police to investigate the weekly, noting that the haredim, who only two weeks ago had protested the use of the slogan "Stop the haredim" at a rally, did not open their mouths to protest when one of their own organs suggested wiping hundreds of communities off the face of the earth.

"It is easy to imagine what would have happened in this country if an article had been published calling to 'dismantle the yeshivot,' or 'wipe the yeshivot off the face of the earth,'" Sarid wrote.

## Tense calm at Mevasseret center

By JONATHAN TEPPERMAN and AMI LEVY

An uneasy calm has returned to the Mevasseret Zion absorption center since police evicted the squatters here early Thursday morning. However, the evictions have not resolved the crisis, and local residents say that the atmosphere remains tense.

According to Jewish Agency spokesman Eldad Adar, repairs are rapidly being conducted on the homes damaged during the squatters' invasion. While unable to put a price tag on the destruction, Adar said that a huge amount of damage had been done, including the burning of the center's library. Smashed doors and windows are now being replaced and security improved, so that new immigrants who had been slated to move in last week may finally do so.

For now, police are remaining to

keep the squatters — who are currently camped in a playground adjacent to the center — from re-entering vacant apartments. But Adar fears that if the police leave the area before the squatters go, there will be a repeat of last week's confrontation.

"Our own security is not enough. The guards were threatened by these Israelis [the squatters], who told them they would kill them if they patrolled the area. If the police leave, it will be a problem," he said.

Among the immigrants living in the absorption center, opinions of the squatters are mixed. A French woman who identified herself as Eileen, who has lived in the center for six years, said she could relate to their predicament and did not find them threatening. Unable to afford to move out of the center, Eileen said: "I do believe that some of them, if not all, are right. They need houses, that's why they're fighting."

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Arutzei Zahav - Dan & Sharon Areas	9.30 a.m., 9.00 p.m.



## Israeli expert: There may still be life on Mars

By DAVID RUDGE

The unmanned US space exploration mission on the surface of Mars may help provide answers to whether there has ever been any form of life on the so-called "Red Planet," according to leading Israeli astro-physicist Prof. Giora Shaviv.

"At this moment in time, from the images sent back to earth, there has been nothing to indicate that there is or was life on Mars," said Shaviv, head of the Technion's Asher Space Research Institute.

"While the pictures are amazingly beautiful and clear they have not provided us with new information, or anything more than we knew before - so far," he said.

Shaviv, who also heads the Technion students' TechSat micro-satellite project, does not, however, rule out the possibility of the existence now or in the past of extremely primitive life forms on Mars.

"There could be life half a meter or 2 meters underground where there might be sufficient humidity and moisture. The surface, however, looks to be a genuine desert without life, but there is a possibility that life does exist in shady areas or in the soil itself."

He stressed that life in such cases would be of the most primitive forms, such as single cell organisms or even possibly worms.

"If this turns out to be the case, it would be one of the most important discoveries in the past 500 years. Evidence of life on another planet would have a tremendous impact on our civilization, our way of life, religion and our thoughts. The implications would be unimaginable," said Shaviv.

He noted that Mars was a generally cold, arid planet

which derived its red, dust color from the fact that its ozone layer was very close to the surface.

"The best approximation we can make is that it is entirely desert, although from the morphological shape of different canyons you can infer that these were created by floods in the distant past," said Shaviv.

"Features you see in different canyons on Mars resemble canyons and wash away soil that you see in the Negev. The difference is that this is still happening today in the Negev, while on Mars it probably occurred millions or even billions of years ago."

"The red-color of the planet is derived from the closeness of the ozone layer to the surface which in turn causes oxidation of the soil."

Despite its inhospitable climate and lack of oxygen, Mars is nevertheless considered by many scientists to be the most likely planet in the solar system to have conditions capable of sustaining primitive life forms.

This theory was strengthened by the discovery in the Antarctic several months ago of a piece of meteorite from Mars in which scientists found fossils of amoeba-like organisms.

Whatever the outcome of the Pathfinder space probe to Mars and especially the results of the tests to be conducted by its Sojourner robot-rover on the surface of the planet, Shaviv said the program had already proved itself.

"Mars is unique in that there are sand storms which can cover the entire planet for two months as well as strong winds in the thin atmosphere," said Shaviv.

"To be able to carry out a successful soft landing of a robot vehicle from a spacecraft orbiting above Mars is a fantastic technological and scientific achievement."

## Bosnia challenges expanded NATO

By CRAIG R. WHITNEY

PARIS (New York Times) - When President Clinton and other NATO leaders meet in Madrid, tomorrow to open the alliance to formerly Communist countries in Central Europe, the big question is not really which ones will join.

It is, instead, whether an expanded alliance can continue to provide security and stability in a region rife with ethnic and nationalistic tensions like the ones that tore Bosnia apart.

Such tensions are the one immediate threat to European security today, and it was in Bosnia that the alliance's relevance to them was first tested.

Led by the United States, NATO first minimized and later met that challenge. But it stumbled considerably before finally accepting the use of American air power to stop Bosnian Serb aggression in the summer of 1995. This stumbling was in large part because the Clinton

administration misread the conflicting signals from its European allies. They had kept saying no to American proposals for strong military action but would have said yes if Washington had been more insistent.

There is, for some, a lesson in that experience.

In a report, leading members of Chancellor Helmut Kohl's parliamentary majority in Germany concluded recently: "Bosnia has made clear that effective conflict resolution in Europe is possible at the present time only with the active involvement of the United States." But on the eve of the Madrid meeting, European leaders are again sending contradictory signals about what they expect from America.

Some of them want greater American recognition of a separate European leadership role in the alliance. After an economic and political summit meeting in Denver last month, the French went so far as to complain about

American temptations toward "hegemony." The French government has been leading a European charge to have Romania and possibly Slovenia included - in addition to the Czech Republic, Hungary and Poland - on the list of the first formerly Communist NATO members. But officials indicated this week that France would not block a consensus on keeping the list to only three countries.

Still, there is one thing on which all Europeans agree, and that is the need for decisive and strong leadership from America on the key flesh-and-blood security issues confronting the alliance.

The biggest such issue is how NATO can encourage lasting stability in Eastern and Southeastern Europe. Such problems as Russia's relations with the Baltic countries and Ukraine, as well as historical tensions among Romania, Hungary and Moldova over substantial ethnic minority populations, have

pushed all these countries toward a closer relationship with the alliance.

And here the precedents being set in Bosnia are no less crucial than they were in late 1995, when a NATO peacekeeping force commanded by American officers went in.

A year and a half later, European diplomats and government officials agree, the Bosnian parties are no closer to a lasting political solution than they were during the war. But American troops are scheduled to pull out of Bosnia in mid-1998, and unless Clinton changes that, diplomats fear, Europe may find itself right back where it started.

Keeping troops on the ground is only one issue. Europeans and Americans agree that even if they stay, there will be no peace in Bosnia unless the many people indicted on war crimes charges there are removed from the political scene and brought to justice in The Hague.

Here again, officials say, the

United States would have to take the lead to get the job done, and so far Clinton has not done so.

Instead, discussions ahead of the Madrid meeting have focused on issues like whether the Russians would agree to let the alliance expand and which countries would be invited to join. To some of them, NATO would not be worth joining if it had been - or yet proved to be - unable to deal with the problem of Bosnia.

"How NATO does in Bosnia will define America's post-Cold-War role in European security," said Richard Holbrooke, the former State Department official who was the principal American architect of the Dayton accords, which ended the Bosnian war in 1995. "If a withdrawal next June resulted in the resumption of fighting, NATO would have failed in its most important post-Cold-War mission, and what then would NATO enlargement be worth?"

## Violence erupts after N. Ireland Orange march

PORTADOWN (Reuters) - Violence erupted in the Northern Ireland town of Portadown yesterday when Catholic youths clashed with security forces after hundreds of Protestant Orange Order members staged their annual march.

The pro-British Orange Order was given massive police and army protection and allowed to march along Portadown's Catholic Garvaghy Road in face of bitter opposition from the area's Irish nationalist residents.

Police in riot gear fired plastic bullets when youths threw stones and other missiles at the security forces' armored vehicles as they pulled out after the Orange march passed off to the jeers of the Garvaghy residents.

Twelve police officers were injured in Portadown, none seriously, police said. Around a dozen civilians were also hurt.

The Irish government said it was deeply disappointed by Britain's decision to allow the Orange Order to stage its parade through a Catholic part of Portadown and had told the London authorities of its concern.

The renewed violence at the height of Northern Ireland's annual marching season could deal a severe blow to the already badly compromised efforts to bring peace to the province.



Celebrating the new Hong Kong

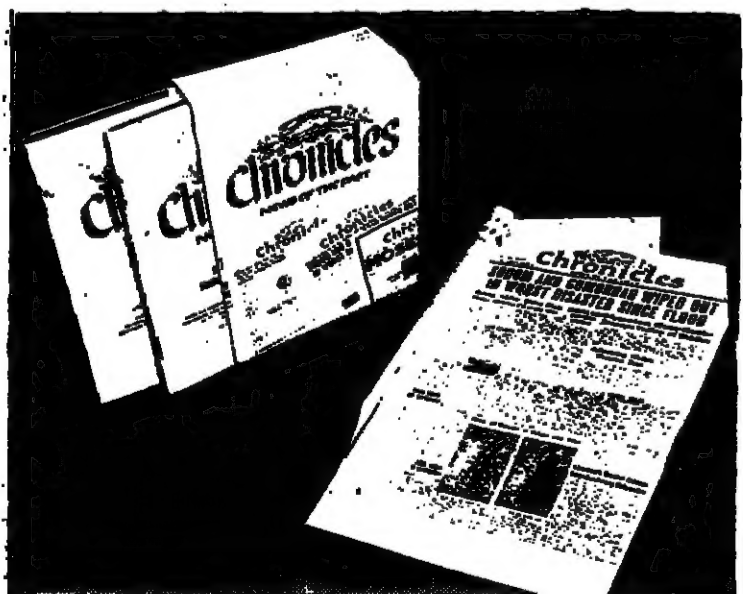
Girls wave new Hong Kong flags as over 5,000 gather inside the Hong Kong stadium yesterday for a youth rally to welcome the former British colony's return to China. Over 50 youth groups attended what organizers claim to be the biggest local celebration of the return of the colony to China. (Reuters)

## Saudis arrest 19,000 beggars in one year

DUBAI (Reuters) - Saudi Arabia has arrested some 19,700 beggars across the kingdom in the first year of its anti-begging campaign. Of the total figure, 9,000 were men and 10,700 were women. 15,000 were non-Saudis. The "anti-begging department" in the Islamic holy city of Mecca arrested 8,700 beggars in the year, the biggest number in any region.

Diplomats in the kingdom say the number of beggars in Saudi Arabia is on the rise. Analysts say the jobless rate is above 10% and rising.

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## Fighting by rival premiers' forces rocks Phnom Penh

By ROBERT BIRSEL

PHNOM PENH (Reuters) - Thousands of people fled the Cambodian capital yesterday as heavy fighting raged between forces loyal to the rival prime ministers for a second day.

The fighting, which erupted anew at dawn, raged all morning but witnesses in the city said there was a lull in early afternoon. At least five people are known to have died, one a Japanese engineer working on an aid project, but there was no reliable toll of killed and wounded.

Phnom Penh airport was closed, forcing cancellation of scheduled flights. Thailand's military had three C-130 transport planes on standby to evacuate more than 300 of its nationals as soon as conditions allowed.

The overall picture was highly confused. First Prime Minister Prince Norodom Ranariddh has accused his nominal partner, Co-Prime Minister Hun Sen, of launching a coup against him.

A radio station loyal to Hun Sen denied this, saying that if it were so Ranariddh's ministers and party officials would have been arrested. Nevertheless, some observers believe that Hun Sen has already effectively overthrown his rival.

Troops loyal to Hun Sen, who outnumber forces loyal to Ranariddh in the capital, were stationed on city streets.

At least one tank was seen near Ranariddh's official residence and an armored car was parked outside the Royal Palace. King Sihanouk, Ranariddh's father, was believed to be in Beijing undergoing medical treatment.

A Thai army general who monitors Cambodian affairs told Reuters he believed that Hun Sen had

already won the power struggle. "Ranariddh may have learned that Hun Sen had planned the coup against him and escaped from the country one day earlier," he said. Ranariddh is believed to be in France.

The general, who declined to be identified, said Hun Sen, with his Cambodian People's Party (CPP), the country's former communist rulers, would slowly take full control of government.

The pro-Hun Sen radio station, dismissing the coup allegation, said government troops were battling Khmer Rouge guerrillas in the capital. Hun Sen had earlier accused Ranariddh of illegally introducing Khmer Rouge defectors into Phnom Penh to bolster his forces there.

There were indications that frantic diplomatic efforts were under way to halt the fighting. The Japanese Foreign Ministry said Hun Sen has agreed to open talks with Ranariddh's forces.

A ministry statement said the president of Cambodia's parliament, Chea Sim, told Japan's ambassador in Phnom Penh of the possible peace development at a meeting yesterday.

Smoke billowed over central Phnom Penh where shells were falling yesterday morning. Explosions were heard near the palace and government buildings.

The only known death yesterday was that of 38-year-old Japanese road engineer Takamasa Okajima, who was fatally wounded on Saturday when a rocket hit his home. The Foreign Ministry in Tokyo said Okajima, who worked for Oriental Consultancy, had been in Phnom Penh since May. He was taking part in a road-building project funded by Japanese government aid.



FILM FESTIVAL PREVIEW

# Truffles on the silver screen

By ADINA HOFFMAN

The 14th Jerusalem International Film Festival starts Thursday night with a gala screening in the Sultan's Pool of Luc Besson's special-effects extravaganza, *The Fifth Element*, which boasts the dubious distinction of being the most expensive European movie ever made.

Prophets of doom could easily look at this flashy, hardware-heavy choice of an opening movie and pronounce the death of cinema near, if not already behind us. But the rest of the festival's program tells another story altogether — the story of an art form (as opposed to a decadent, number-crunching industry) that's still alive and well, but that requires of viewers more determination and leg work than perhaps it once did. The best films, it almost goes without saying, are not necessarily those picked up and hyped by local distributors, which means you may have to scavenge a bit — act like a truffle hound — if you want to see the good stuff.

Take, for example, a potent movie like Jonathan Nossiter's *Sunday*, which won the Grand Jury Award at the last Sundance Film Festival but which no Israeli distributor has seen fit to acquire. (In plainer words: the Jerusalem festival may be your only chance to catch one of the most interesting American films of the year.)

Why, and quietly upstaging in turn, *Sunday* was adapted from a short story by screenwriter James Lasdun and retains the slightly contrived literary feel of its original form, as it opens out to include a gritty, almost documentary vision of the broken down landscape of Queens — its porn shops, junk yards and grimy subway stops. The movie takes place in the course of a single day, and focuses on the unlikely union between two lost people — a squat, nearsighted homeless man (David Suchet) and a down-on-her-luck English actress (Lisa Harrow) who mistakes him for a famous movie director. Or does she? As the film goes on, the lines between truth-telling and make-believe blur, as do the distinctions between cruelty and affection, generosity and neediness.

Another movie without a local distributor — and one that I absolutely urge you to see — is Alan Berliner's delightful documentary, *Nobody's Business*, a poignant, wise and often very funny portrait of the filmmaker's father, Oscar Berliner, a cranky, retired salesman who makes it clear from the start that he thinks a movie about his life is a terrible idea. "My life is nothing," he



The narrator (playwright George Tabori) of 'My Mother's Courage' hugs the brave Hungarian Jew (Pauline Collins) of the title.

insists. "Who the hell would care...?" As the film goes on, he continues to ham up the role of hostile witness, resisting his son's earnest attempts to assign some meaning to his father's existence, and by extension, to his own. ("I don't care about the family tree!" "Leave me alone!" "Who the hell knows!") are typical impatient responses to Alan's searching questions.)

Meanwhile, of course, the old curmudgeon is unwittingly providing his son with amazing material: his every put-down and scowl helps to flesh out the filmmaker's sad, loving picture of his divorced dad, whose chronic grumpiness turns out to be nothing but a rather flimsy defense against his increasing loneliness and frailty. Blending playful cinematic techniques with a serious curiosity about the ties that bind family members, the younger Berliner (who also works as his own producer, photographer and editor) has created a completely personal work, and one that manages pow-

erful feeling without a drop of false sentiment. Do not miss this movie.

Another film that attempts to understand an aging parent's biography is French director Charles Najman's part-fictional, part-documentary *Can Memory Be Dissolved in the Water...* Najman's mother, Solange, is a remarkably vivacious Holocaust survivor who travels, on a small reparations allowance from the German government, to take the "cure" at the Evian spas every few summers.

As the filmmaker follows his heroine around the well-kept grounds, to song-filled meals with her friends from Bergen-Belsen, and even into the massage rooms where she's doused and rubbed and pampered, a host of painful and contradictory impressions emerge. On the one hand, Solange appears to be functioning beautifully: she's full of life and laughter, and claims that the treatments allow her to sleep soundly at night. On the other hand, it's clear that

certain terrible memories can never be washed away, nor does she want them to be. *Can Memory* is a bit self-indulgent in places (the director seems incapable of cutting short shots of his mother spinning like a pretty top, and several of the staged scenes feel forced) but it is, still, a strong movie about a very strong woman — a survivor in every sense of the word.

Remembering the Holocaust with a dose of black humor is also the slippery tack tried by two non-Jewish, German filmmakers whose movies appear in this year's festival. The first of these pictures, *My Mother's Courage*, directed by Michael (*The Nasty Girl*) Verhoeven, works wonders with its precarious mixture of wit and gravity. Based on a true story by German playwright George Tabori, the film (marred only by some sloppy dubbing) is a sharply stylized examination of a day in the life of one simple Hungarian-Jewish woman whose mouse-like obedience gives way in the course of just a few fateful hours to an act

of mind-boggling bravery. It's a highly unusual movie, and one that's all the more noteworthy for the way it rejects standard filmic images about the Holocaust and struggles to fathom the horrors on its own irreverent terms.

Which brings us to the only poison mushroom in this batch of truffles, actor Armin Mueller-Stahl's directorial debut, *Conversation With the Beast*. The movie is based on a provocative idea: a man claiming to be the 103-year-old Adolf Hitler (he looks much younger) hides in a bunker under Berlin, where he agrees to be interviewed by an American historian, who may or may not be Jewish... But the film never moves beyond this one sick joke and, in the end, it feels like somewhat sordid cross between *Lost Horizon* and *The Producers* — its slapstick elements clashing uneasily with the atrocities off-camera.

See Friday's Time Out for more festival recommendations.

## Big movies; big risks

By MICHAEL STROUD

Making films nowadays is a risky business.

In 1977, *Star Wars* cost \$9.5 million and raked in about \$322m. In the US, this summer, *Speed 2: Cruise Control* cost \$145m, and took in \$162m. On its opening weekend, which means it could lose money at the box office. The days when studios made a killing on mega-budget "event" films are well and truly over. With production costs soaring and the market glutted, profits on most expensive films are shrinking.

"Making films this expensive is bad business. You can't keep living on less and less profit," said Tom Sherak, president of worldwide production for News Corp.'s 20th Century Fox, which made both *Star Wars* and *Speed 2*. This summer, 11 films cost more than \$70m. *Star Wars* and *Speed 2* and *Time Warner Inc.*'s \$120m *Batman and Robin* topping the list. Last summer, there were just four that passed the \$70m mark.

Analyst Mike Yocco of media researcher Paul Kagan Associates predicts "some major-league flops." The summer's blockbusters must break through record clutter: 54 films released on 800 screens between May and September, compared with 51 last year. And while those films' \$4 billion price tag is 11 percent higher than last year, the total domestic box office for the period will grow just 5 percent to \$2.43b, Yocco said.

The cost explosion is driven by the public's appetite for expensive special effects, rising pay for top stars and costly marketing. The results can be disastrous. *Cutthroat Island*, which earned just \$9.9m, at the box office, helped drive the studio out of business. While News Corp. won't go out of business if *Speed 2* crashes, it could lose \$50m, or more.

*Batman and Robin*, which opened in the US last weekend, carries a Gotham-size price tag of \$175m, including marketing expenses. This

fourth film in the series wouldn't break even on the \$187m. take of its predecessor, *Batman Forever*, after the movie-theater owners' cut of the box-office gross is subtracted. The latest edition will probably squeeze out a profit once sales from foreign movie theaters, video, TV and merchandising are factored in, Yocco said.

But is a fourth *Batman* film too much of a good thing? "It's unclear how long the franchise can continue to attract audiences," said Richard Fay, president of AMC Entertainment Inc.'s film division.

Studio executives who backed some of this summer's costliest films are confident that they will rake in handsome profits. New Corp.'s Sherak called breaking even on *Speed 2* a "worst-case scenario," while Warner Bros. chairman Robert Daly said strong international ticket sales and royalties from merchandising will drive profit for *Batman and Robin*. "Batman is more than a movie, it's an industry," he said.

Of course, some big-budget films will clean up this summer. Seagram Co.'s *The Lost World: Jurassic Park*, the sequel to *Jurassic Park*, cost about \$70m. to make. In just three weeks at theaters, it pulled in more than \$190m, and will likely come close to its predecessor's \$357m. domestic gross.

Disney's animated *Hercules* has the same lock on children that helped last summer's *Hunchback of Notre Dame* earn about \$436m. pre-tax profit from worldwide box office, videos, television and merchandising. The movie, which cost about \$80m. to make, is expected to clear \$425m. to \$550m. in profit, said Smith Barney analyst Jill Krutick.

"Paying an extra \$20m. to an actor or \$40m. more for special effects doesn't help if your production costs are outpacing your revenue," said David Davis, a vice president at investment banking firm Houlihan Lokey Howard & Zukin.

Until studios learn that lesson, they can expect a lot more red ink. (Bloomberg)

## Caspi fulfills Arad hopes

By HELEN KAYE

We kept the top slot for him, hoping that he'd come back to fill it."

Arad Festival Trust chairman Doron Nichtberger was referring to Mati Caspi and his hopes are to be fulfilled: Mati Caspi is to open this year's Arad festival on July 15 after a self-imposed exile of more than four years in the US and Canada.

Not that other big names are missing. Rita, David Broza, Zehava Ben, Yehudit Ravitz, Etti Ankri, Rami Kleinstein, Shlomo Artzi, Boaz Sharabi and Aviv Gefen are among the more than 20 or so headliners appearing at the festival's 11 venues.

Rita, Kleinstein and Artzi had

boycotted last year's festival as a show of solidarity with the families of the three teenagers killed in a stampede before a Mashina concert at the 1995 festival.

This year, festival artistic director Dani Robas promises a raft of fascinating musical encounters.

Rita sings with Shlomo Bar and his band Habbra Hadviti. David Broza gives a sunrise concert at Masada. Etti Ankri sings with counter-tenor David Dor, Rami Kleinstein premieres his new album, *Everything you Want*, Sarale Sharon and actress Rama Messenger host singing MKs, and Aviv Gefen hosts rockers such as

Barry Saharof and the Rockfour band.

Sales for Gefen's concert in the Arad sports stadium are proceeding briskly despite a letter from Deputy Education Minister Moshe Peled to the country's various youth movements urging them to boycott the singer for what he termed anti-Israeli behavior.

Festival officials say that security arrangements include extra phone lines so that teens can call home, and reduced seating at open venues, including the stadium and pool, to minimize the chances of any kind of incident.



Mati Caspi

## Why Israeli conductors go abroad

By MICHAEL AJZENSTADT

Omri Hadari, the Israeli born trumpeter-turned-conductor, loves movies. And he has had a special interest in silent films since 1982, when he was invited by the British Film Institute to reconstruct the original score of Shostakovich's music for the silent film *New Babylon*.

Since then, he has conducted that music, as accompaniment to the screening of the film, all over the world. Hadari was recently appointed the principal conductor of the symphony orchestra in Porto, Portugal, following posts as music director with the Cape Town Symphony Orchestra and principal guest conductor with the Adelaide Symphony Orchestra.

"Porto is a center for port wine," he says, "but, like most Israelis, I'm not that used to drinking wine so I cannot enjoy that as much as others might do."

Hadari comes here regularly to similar training to orchestras in South Africa, or in fact Israel and any other part of the world.

Socially and mentally, of course, there is a huge difference between Portugal and South Africa. "There was a time in Portugal when music teaching was underdeveloped, and this is



Omri Hadari

Omri Hadari leads the Israel Chamber Orchestra, playing compositions by Britten, Beethoven and Rhapsody on Melodies of Moroccan Jews by Avi Eilam Amzalag, at the Tel Aviv Museum tonight.

## NEWS

of the muse

### Amos 'n' Andy 'n' Altman

Amos 'n' Andy may join other vintage television series that have made the leap to the big screen.

Director Robert Altman and entertainer Harry Belafonte are developing a feature film paying tribute to both the radio and television versions of *Amos 'n' Andy* and examining the tradition of white comedians in blackface.

"Our idea right now is to make something like the Broadway show of *Bring in Da Noise, Bring in Da Funk*," said Altman, referring to the musical that incorporates tap dancing in its examination of African American culture. "Only instead of tap dancing, we're going to do it with comedy. We're using comedy as a metaphor for showing the development of racism in the US. People are afraid to touch the subject. It's very dicey."

Los Angeles Times

### Festival fanfares

The English-language Guild Theater of Ra'anana is off to the Art Today Theater Festival at Agropoli, near Salerno, in Italy, on Thursday. It will present *Seek Haven*, a Guild-created theater piece taken from the poems of novelist/poet Hayim Zelevy, and set to original music by founding member Pinna Isseroff. *Seek Haven* tells the story of Israel from biblical times to the modern state.

Educational TV's production of *Makomshu* won honorable mention at the recent Prague Festival of dance films and videos. The documentary follows choreographer Rami Beer and the Kibbutz Dance Company as they create the title work.

The Yiddishpiel Theater's production of *Yosha Kalb* is going to the Wiesbaden Festival next May as part of its salute to Israel's 50th birthday, and it will be the fourth time that Yiddishpiel has appeared there.

Helen Kaye

### Hot dance for summer

The Suzanne Delal Dance Center in Tel Aviv is showcasing most of the new Israeli dance pieces made over the past year, and premiering five new ones. The participants are all the country's major and some of the fringe companies. MaboLohe (Hot Dance) runs from July 14 to August 9.

The premieres include *100 Movements*, by Canadian choreographer Linda Gaudreau for BatSheva Ensemble, Ido Tadmor's *Uranus* and Rina Schenfeld's *Bangs on a Bucket*. Others pieces are *Sajera* by Ilana Cohen from Inbal, *Angle* from Klika and *October* from Anat Danieli.

Helen Kaye

### Looking for top managers

The BatSheva Dance company has announced the formation of a search committee to replace general manager Mira Idelis, who resigned in May after eight years in the post. It is now an open secret that choreographer Ohad Naharin demanded her resignation as the price of his continued tenure in the post of BD's artistic director to the year 2000. BD associate artistic director Naomi Fortis took over July 1 as acting general manager.

The Haifa Theater board of directors is still interviewing candidates to replace Oded Kotler, who resigned as general manager last month. Search committee and board chairman Zvi Dahari gave no details, not even the number of applicants which he coyly placed at "between 10 and 20."

Helen Kaye

### Moroccan melodies

At the beginning of each concert of the Israel Chamber Orchestra last season, audience members heard an anonymous short composition. Overall, five works were performed by the orchestra, and after each concert the public was asked to give each work a mark. At the end of the season, all marks were counted and the eventual winner in this audience-only-judges competition was Avi Eilam Amzalag with his opus *Rhapsody on Melodies of Moroccan Jews*.

The orchestra performed the work one more time last night, this time acknowledging its composer. It will be performed again tonight at the Tel Aviv Museum (see "Why Israeli conductors go abroad" below). The other composers whose works were performed in this competition were Itamar Erez, Dan Yohas, Haim Alexander and Ari Ben-Shabat.

Michael Ajzenstadt

### Shohat's Little Prince

Young Israeli composer Gil Shohat, who now resides in Milan, is writing a short opera for children's voices and young audiences, based on the story of the Little Prince. The work will premiere next season, performed by the Moran Children's Choir. Shohat's newest chamber music opus will be premiered this summer at the Kfar Blum Chamber Music Festival, and his new symphonic opus, *Dry Bones Vision*, will be premiered next season by the Jerusalem Symphony Orchestra-IBA.

Michael Ajzenstadt

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## Cut foreign labor costs

The murder of a Tel Aviv kiosk owner, allegedly by foreign workers from Colombia, should be treated as seriously as any murder, but should not become an excuse for a general backlash against foreign workers. Though Israel is generally on the right track in terms of shifting the balance between foreign and Palestinian workers in the latter's favor, the transition must be made in a humane fashion.

The large influx of foreign workers dates from just after the terrorist attacks of early 1993, when a series of closures reduced the number of Palestinian workers in Israel from about 130,000 to almost zero.

The Netanyahu government has continued the process of easing the closures started by the previous government, so that Israel has now issued 50,000 work permits for Palestinians, with plans for further expansion.

At the same time, estimates of the foreign work force range from the official figure of 130,000 up to 250,000, of which more than half are illegal.

The rationale for restoring the Palestinian work force to higher levels is a sound one, provided it is implemented without compromising security requirements. It is in Israel's interest to assist the Palestinian economy and reduce the rampant unemployment in Palestinian Authority-controlled areas. Work permits can be limited to Palestinians who are unlikely to pose a security risk, and in fact the record shows that almost no terrorist attacks have been committed by Palestinians legally working in Israel.

Before more Palestinians can work in Israel, however, the issue of the foreign workers who have taken their places must be confronted. The government is struggling over how to implement its own decision to reduce the foreign work force by 500 per month. At the same time, Israelis have become increasingly conscious of "third world" enclaves developing where foreign workers, many considered illegal only because they have switched employers, live in squalid conditions.

Luckily, the goals of improving the conditions of foreign workers and decreasing their number go hand in hand. Groups working with foreign workers say there are two keys to improving their conditions — eliminating the visa tetter to a particular employer and equalizing the benefits employers are required to provide.

Currently, employers who bring in foreign workers must leave a substantial deposit with the government to ensure the workers stay in the same job, as required by their visa. The purpose of this is partly to keep track of the workers, but mainly to help ensure that employers do not lose their investment in workers who disappear inside Israel.

The result of this system is that the employers' risk is reduced at the expense of the freedom of the foreign workers, leaving a situation in which workers are often stuck in intolerable conditions without almost any recourse. If workers were given a visa without limiting them to a single employer, employers would have to provide better conditions in order to compete for workers. It would also be riskier for employers to import workers, but that would not be such a bad thing, since Israel is in any case trying to reduce the size of the foreign labor force.

Another way to reduce the incentive to import foreign workers is to require the same benefits that are mandated for Palestinians. An Israeli organization that provides legal assistance to Palestinian and foreign workers, Kav La'Oved (workers' hot line), recently issued a comparison showing that it costs an employer almost 50 percent more to hire a Palestinian than a foreign worker receiving the same minimum wage.

Again, if employers were required to provide more benefits to foreign workers, the result would be better conditions for fewer foreign workers, and an increased incentive to shift back to Palestinian workers. The stability of the Palestinian work force could also be increased if the recent decision to allow at least 30,000 Palestinians to work in Israel, even during a closure, were implemented.

One solution to expanding the Palestinian labor pool without posing a security risk is to move ahead with the planned industrial parks to be built on the border between Palestinian and Israeli areas. While these parks cannot address the needs of the main sectors that employ foreign and Palestinian labor — construction and agriculture — and will take time to become a reality, they do represent a serious potential benefit to both the Palestinian and Israeli economies.

The Ministry of Labor and Social Affairs, stung by criticism of street roundups of illegal workers and of the prolonged detention of workers waiting to be deported, has wisely decided to shift the focus towards enforcing the law on employers. Employers should be held responsible for upholding the guarantees they provide when importing foreign workers, particularly regarding workers' living and working conditions.

At the same time, Labor and other ministries are, characteristically, placing inordinate confidence in their ability to enforce the law, rather than allowing market forces to do some of the work for them. They claim that allowing workers to be freed of visas linked to a specific employer would create a free-for-all market for foreign workers in which no standards could be enforced. There is no inherent conflict, however, between enforcing standards on all employers, while allowing workers more freedom to vote with their feet.

## Tea with mom

SUSAN HATTIS ROLEF

Among the parties that make up the coalition, two — Shas and Geshet — are predominantly Moroccan.

Both see themselves as the true representatives of the same group of underdogs, Israel's citizens of North African origin.

But whereas Shas boasts impressive achievements in the form of its constantly-growing religious network, education system and welfare

carries around with him, and to a cozy scene in which Bardugo, sitting in his mother's kitchen, discussed the quality of the tea she makes.

But beyond these platitudes, he said absolutely nothing.

While it's hard to decide whether Geshet is a sad joke or an amusing tragedy, one cannot avoid the conclusion that educated, enlightened traditional/secular Israelis of North African origin deserve more serious political representation than that offered by Levy, whose chief concern seems to be his own honor and political survival.

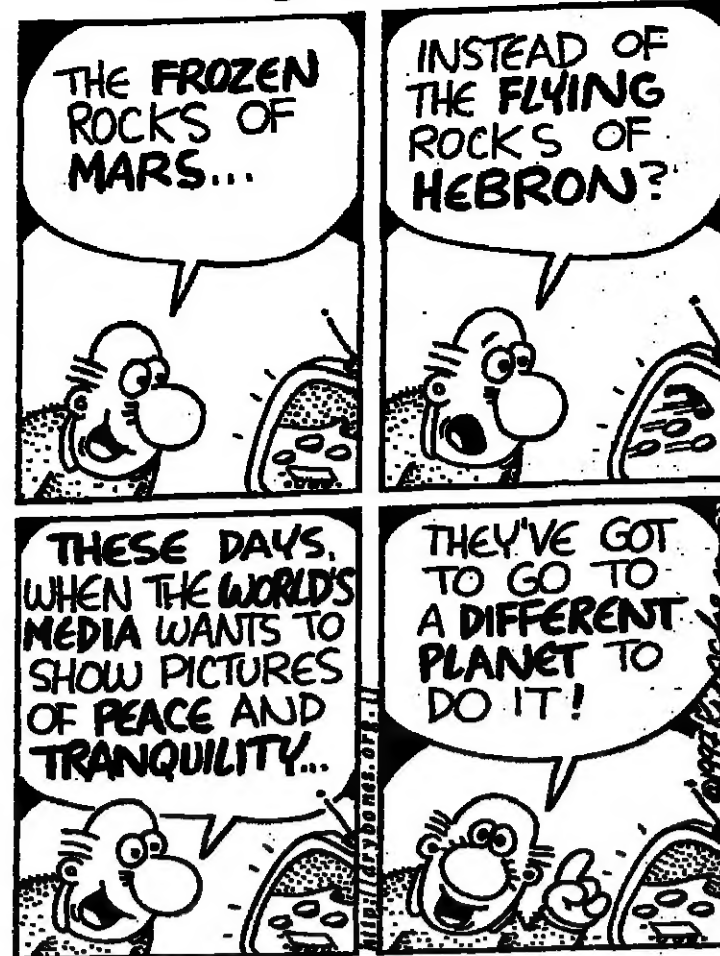
The fact that Levy, whose party claims to be chiefly concerned with social issues, demanded the Foreign Ministry portfolio in any future Netanyahu government in return for agreeing to run on a single list with the Likud and Tsomet in the last elections really says it all.

So does the fact that since the beginning of his most recent tiff with Netanyahu, Levy has hardly fulfilled any of his functions as minister (not that the country's foreign affairs have suffered greatly as a result).

YET, bizarre as it seems, Geshet — this all-male bastion of nothingness — has during its existence succeeded in attracting at least two ambitious Ashkenazi women, who have tried to use it to redress their political frustrations and further their ambitions.

After giving up on Labor and besmirching Yitzhak Rabin in a book she wrote after he was elected party leader in 1992, Rafela Bilsky Ben-Hur, a Hebrew University political scientist, offered her services to Levy as an expert on Israel's social ailments. It seems she was hoping both for the chance to shine in a crowd of mediocre men and for a realistic place on Levy's Knesset list.

## Dry Bones



get around the provisions of the Parties Financing Law).

But my bet is that if we end up with a rich and effective ex-glamor girl in the 15th Knesset, it will not be Galia Albin but Prima Rosenblum, and she will get in independently, and not on any list.

What we really need in the Knesset today to rouse the sleepy "social lobby" is a Moroccan or other woman with guts, a sense of humor, a highly-developed sense of social justice, and a big mouth that isn't easily silenced.

Someone like singer and TV star Margot. She'd be great.

The writer is a political scientist.

## In this case, it's all or nothing

HASKEL LOOKSTEIN

Twenty-five years ago the late Rabbi Joseph B. Soloveitchik commented on the rabbinic statement that the Ten Commandments were expressed in one utterance.

What our sages were suggesting, he said, was that the Jewish people received not 10 individual commandments but a Decalogue — a single, inseparable unit.

This means that we cannot accept the second tablet — the ethics, the morals and the humanity — without accepting the first tablet, the belief in God and His authority over us.

Conversely, we cannot embrace the theology and ritual of the first tablet without committing ourselves to the ethics of the second.

In other words, the Ten Commandments are not a smorgasbord from which one can pick and choose as one wishes. They are one, indivisible.

The rabbi then added something, with great prescience: If Orthodoxy wants to win the hearts and minds of American Jews, it will not do so simply by being pious and attentive to ritual, to *kashrut* and Shabbat.

We will win over the multitudes, Soloveitchik said, only when others see that our religious commitment makes us more ethical, more moral, more humane than other people.

If we fail to do this, he concluded, all the *shuls* and yeshivas will not help us. How disturbingly true his words have turned out to be.

Synagogues in America are full, yeshivas and day schools are

stuffed to capacity, and in September thousands will celebrate the completion of a seven-year cycle of daily Talmud study.

And yet, because of the moral and ethical turpitude of a few, we Orthodox Jews are alienating the masses of Americans — Jews and non-Jews.

The term Orthodox and all that it

study, then for the rest of the day is busy with activities that have led to a series of indictments against him.

Even if some of those indictments are eventually dismissed, irreparable damage will have been done.

HAVE some of us forgotten that theft is as much a part of the Ten

### The Ten Commandments are not a smorgasbord. You can't pick and choose

stands for has lately been so besmirched and sullied that when most people hear the word Orthodox the image that comes to their minds is not "pious" and "God-fearing," but "crooked," "violent," "intolerant," and "coercive."

Hardly a day goes by without the media gloating over another moral scandal involving Orthodox Jews.

We've read about indictments involving the laundering of Colombian drug money, the embezzlement of public funds, the misappropriation of government grants and, most recently, a tax scam involving charitable donations of automobiles.

And all of the indicted are identifiably Orthodox.

The *New York Times* magazine recently featured a story about an Israeli politician who spends the entire morning, six days a week, absorbed in prayer and Talmud

Commandments as Shabbat observance? Is it more important to be scrupulous about the reliability of an *eruv* in an Orthodox community than about the illegal use of government funds by Orthodox institutions?

And is there any good reason for being more careful about what goes into our mouths than about what comes out of them?

Could anything possibly justify ostensibly religious Jews, themselves come to pray at the Kotel, spitting at fellow Jews holding an egalitarian service at the back of the Western Wall plaza? Could anything justify Jews calling other Jews heretics and Nazis, yelling "because of you six million Jews died," "Go back to Rome," "Go back to Germany" and "Fifth of Israel?"

The late Yehuda Getz, rabbi of the Kotel, ran to the scene of another riot some years ago,

stopped the violence and exclaimed: "This Wall belongs to everybody: men and women, religious and nonreligious, Jews and Gentiles, as it is written 'For My house shall be a house of prayer for all peoples.'"

How sad that his successor, instead of rebuking the haredi mob, asserted that the victims "got what they wanted."

Whenever and wherever haredi mob action manifests itself, it is vital that the community's leaders denounce it firmly and warn their constituents against any repetition.

It is no less essential for all Orthodox mainstream organizations to emphasize that hateful conduct by one Jew toward another will simply not be tolerated, and stress that respect and restraint are fundamental attributes of the religious personality.

Rabbi Soloveitchik probably never envisioned the baseless hatred that is tearing us apart at present.

But he understood that if Orthodox Jews want to win friends and influence people, they will ultimately do so only by living according to the highest standards of morality, ethics and human decency.

They will only do so when the term Orthodox is a source of pride and inspiration instead of — God forbid — a label that can evoke disgust among others and shame among ourselves.

The writer, spiritual leader of Congregation Kehilath Jeshurun and principal of the Ramaz School in Manhattan, is a member of the Orthodox Caucus.

## Sloppy American sentimentalism

A.M. ROSENTHAL

would have been found to use the Constitution to protect society against the treasonous terrorism of the "patriots."

The first and most obvious is federal legislation against organizing, training or participating in paramilitary groups not specifically

of behavior to bring down the government with guns and crime.

THE Southern Poverty Law Center in Birmingham, Alabama, which sent the warning from its militia watch project to Janet Reno, also calls for strengthening

### It explains a lot about why terrorists can preach and practice in the US

ly authorized by the states.

This is not only constitutional, but would strike at the anti-constitutional heart of the militia movement.

In 1886 the Supreme Court said that "military organizations and military drill and parade under arms are subjects specially under the control of the governments of every country."

The court has upheld state law prohibiting unauthorized militias, ruling that it did not infringe on the Second Amendment provision about militias because they are supposed to be state, not private.

The militias scream that the legislation would rob them of freedom of speech guaranteed by the Constitution they want to destroy. The Constitution gives that even to its enemies, but not the freedom

existing state laws.

Many local law enforcement officials are unprepared or afraid to deal with criminal military threats, and some are sympathetic to "patriots." Specially trained state militia units should be part of state law, to back up local police.

Some other suggestions: Legislation "tagging" chemicals that can be used to make bombs, like the kind Timothy McVeigh used, limiting how much can be bought and restricting sales to licensed purchasers; prohibitions against any involvement in militia activity by members of the armed forces or police; development of communications about American terrorists among law enforcement people, who are often out-touched by the "militia."

As important as new legislation, I think, is building a sense of urgency into enforcing the law.

In Garfield County, Montana, the "Freemen" militia members told the county attorney they would swing him from a bridge. Months went by before police took action against militia criminals, and then 81 more days of negotiation with them.

Police and officials who do not enforce laws on the books or wait months before they side up to their jobs abet crime and criminality — in Montana or Manhattan.

The purpose of new or stronger legislation is to give the right tools of law to police and government prosecutors strong enough inside themselves to do the job.

American voters have an act of inner strength to perform themselves if they are ever to get the political leadership needed to deal with terrorists.

They will have to rid themselves of any idea that grievances the "patriots" have, or pretend to have, are, in a democracy, either moral justification for advocating violence or legal excuse for committing it.

Until we Americans get this sort of sloppy sentimentalism out of our heads, the terrorists will be with us, and we will deserve their company.

(Courtesy of the New York Times)

## LETTERS TO THE EDITOR

### SECULAR JEWRY

Sir, — My biggest surprise when reading the article in *The Jerusalem Post* of June 12 by Larry Derfner ("God left out") was to learn that the gentleman styles himself as an "atheist, leftist Jew." I expected the article to have been written by a deeply intolerant religious Jew, as it is riddled with errors and misconceptions ordinarily ascribed to prejudiced and unknowledgeable religious Jews. Here are some of the misconceptions:

1. That secular, or humanistic, or "free" Judaism is trying to be an alternative to religion. Nothing of the sort. There are no secular missions or missionaries, secular "synagogues" enticing the religious to join, etc. Secular Jewry is a kind of autonomous creation, most likely as a reaction to the life in the ghetto as well as religious practices which no longer were felt to be relevant. Nevertheless, some secular Jews would simply like to learn more about their own culture and history, etc., including their own religion. Not all of our glorious literature can be described as "religious books" and some of these books are more relevant to secular people if taught from a non-religious perspective. After all, parts of *Pirkei Avot* resonate with Confucianism to such an extent that one could interchange some paragraphs with that sage who lived perhaps 500 years prior to the authors of the Talmud. Some of it can be read just as plain literature or treatise on law, ethics, morals, customs, etc. No one I know in the field of serious learning in pluralistic colleges thinks about "an atheistic reading of Jewish religious books." As a matter of fact, most secular Jews are, unlike the writer of that article, not atheists. Most are agnostics, some are believers and very few are atheists.

2. What hutzpa to state that, for "secular boys, studying Judaism is educational but no more." He clearly has not met some of the secular boys and girls, men and women who study these texts with as fervent an intellectual passion as one would read Homer, Milton,

Goethe, Hume or other great pieces of literature. Who is to say that this passion is any less "powerful" than the more demonstrative version of religious zealotry?

3. What kind of *maven* is Mr. Derfner to state that "Judaism doesn't penetrate as deeply with religious Jews?" In fact the voluntary intellectual penetration may be even deeper than the religious kind! Anyway those kinds of comparisons are really worthless.

4. Clearly Mr. Derfner is confusing secularism with Meretz politics. Most Diaspora Jews are probably too ignorant to even know what Meretz is all about. I would have thought that questions of "human dignity and freedom" are without political affiliation. He asks "what was this all about?" The answer is, it is about saying to the religious Jews that Torah is not their monopoly and that it belongs to all those who claim it as theirs, with whatever serious interpretation any person would like to give it. After all, is this not the essence of talmudic learning?

5. The very serious all-night studies throughout the world for secular Jews are a source of great joy for those who practice them. Why should the not do it on the first night of Shavuot? Would the author feel better if it was done on another night, when religious Jews traditionally do not do it?

What does one make of a self-declared atheist who believes that studying Jewish texts without searching for God is a waste of time? Does not one read one's own literature not only to learn one's own past, but to also get some guidance for the future? Is God then the only legitimate goal for all this studying? At least Mr. Derfner is honest enough to say, "I don't know where the answers are." It would seem he may have never studied the texts during any of his incarnations.

F. POSNER, Governor, The Oxford Centre for Hebrew and Jewish Studies, London.

### FREEDOM OF RELIGION

Sir, — It has been stated many times, but is worth repeating. "How ironic that only in Israel, is a Jew denied religious freedom." Our Declaration of Independence grants its citizens freedom of religion; but if you happen to be a Jewish citizen, you are free to practice Judaism only according to Orthodox interpretation.

Our two sons were married by Conservative rabbis. Both ceremonies were conducted by the laws of Moses and Israel. One ceremony was fully blessed and recognized as well by the laws of the state; the other was declared illegal by the laws of the state. The first took place in Boston, Massachusetts, home to the Irish Catholics; the other in Jerusalem, the capital of the Jewish people.

How absurd that thousands of our children are denied the freedom of Jewish practice; how absurd that they serve the country on the battle fields, in economic fields, in the arts and science fields, in the fields of agriculture, in fields of labor and academia, but are told that in the field of religion, they either must deny their conscience or go to a strange land to marry by the laws of that strange place in order to be accepted in their homeland as a married couple.

Article 2 of the government's statement of Basic Principles presented to the Knesset on March 8, 1949, states "the state will provide for the public religious needs of its inhabitants, but will prevent coercion in matters of religion." No constitution has ever been enacted to assure that coercion is prevented. Terms like "coercion" or "status quo" remain ambiguous and open to interpretation. The time has come when I, as a Jewish citizen of this country, be allowed by law, to choose my religious preference and practice openly and legally.

HONEY STOLLMAN, Jerusalem.

הכזמן השחור



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## Tax Code

# The Secret Language Of Social Engineering

By RICHARD W. STEVENSON

**N**AME a social or economic problem. Maybe the tax code can fix it.

Think families these days are hard pressed? Give them a \$500-per-child credit. Want more people to attend at least two years of college? Create a credit to subsidize some of the cost. Determined to address the nation's low savings rate? Expand the Individual Retirement Account to provide more tax incentives for long-term savings. Eager to encourage entrepreneurs? Provide special breaks for investments in small businesses.

Unlike the two most recent big tax-cutting bills, in 1981 and 1986, the tax legislation now working its way through Washington does not include reductions in income tax rates. Although both parties have been proudly proclaiming the windfall they intend to bestow on voters, the \$85 billion that Congress and the Administration have allocated for tax cuts over the next five years would finance only a tiny drop in income-tax rates.

So to get maximum bang for the buck, the leaders of both parties are instead concentrating the available money on a handful of other taxes and tax breaks. All of them appeal to at least one powerful constituency — this year's favorites range from the religious right to Wall Street — and all seek to support certain types of behavior or social goals.

Far from the ideal of a tax code designed solely to raise the revenue needed to finance the workings of Government, this year's legislation is just the latest

**Tax cuts: A high-toned excuse to hand out goodies.**

evidence of how changes in the code frequently come down to dispensing favors under the guise of social and economic policy. Even modest attempts to focus the code more on revenue raising and less on distinguishing between classes of activity and income — like the 1986 tax act — are soon overwhelmed by the political imperative to respond to powerful constituencies who want better treatment.

"I view the tax code as a very poor place to do social engineering," said Iris J. Lav, the associate director of the Center on Budget and Policy Priorities, a liberal research group in Washington, echoing what most conservative economists would say. "There's very scant evidence that the tax code has ever changed people's behavior. It's certainly a question of who has the loudest voice on tax policy."

Certainly, tax policy plays only a limited role in the economic decisions that most people make. People choose to invest or buy a home or send their children to college for all kinds of reasons unrelated to a line on their form 1040. But even where the tax code provides a direct incentive, its impact is unclear.

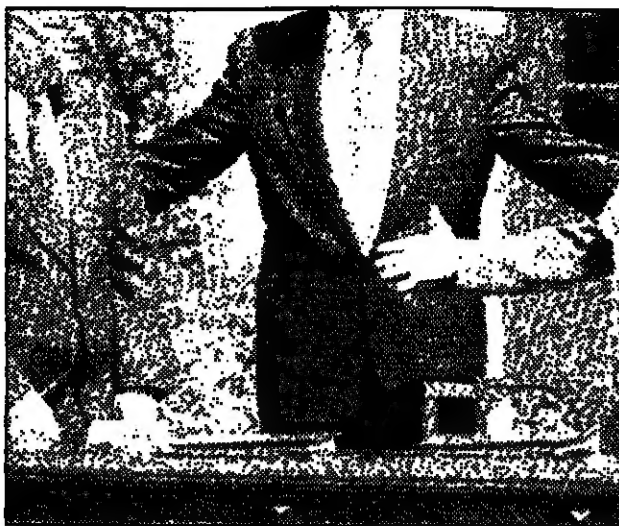
### Saving, More or Less

Both the House and the Senate bills propose sweeping expansions of the Individual Retirement Account, which is popular with banks, investment firms and middle and upper-income taxpayers who have money to save. Although some economists argue otherwise, Ms. Lav cited studies concluding that I.R.A.'s have done little or nothing to increase the savings rate, in part because decisions about saving may be more complex than they appear. Since many savers set specific goals, an increase in the after-tax yield that the I.R.A. advantage creates lets them save less than they would otherwise to reach the same goal — not exactly what proponents of savings incentives have in mind.

But Ms. Lav acknowledged her own strong support on both economic or social grounds for programs like the earned income tax credit, which reduces taxes for low-income workers to encourage them to work rather than to go on welfare. So what seems unwarranted social engineering or interest-group pandering by one ideological camp is often seen as a worthy cause — and a justified exception — by the other.

Steve Forbes, who ran for the Republican Presiden-

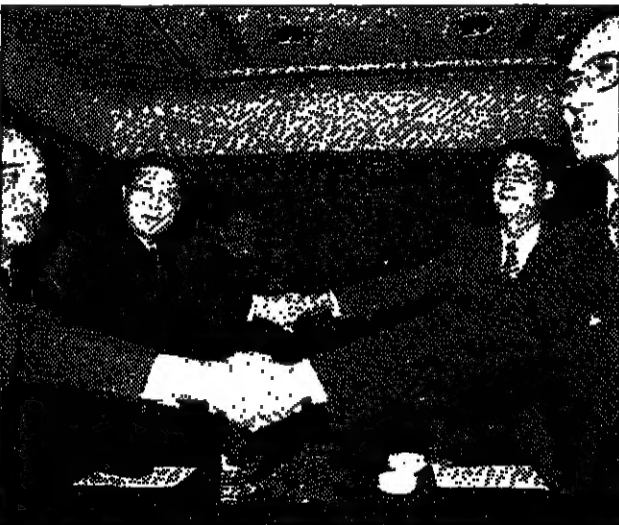
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Hands across the President: Arafat reaching out.



No hands: Patrick Ewing and John Starks body slam.



Korean hands: North and South agree on food aid.



Political hands: Al Gore at an auto workers picnic.



Joining hands: Cambodia's two co-premiers.

## No Great Shakes

# A Ritual Loses Its Grip

By ADAM BRYANT

**H**ANDSHAKES are part of history's greatest hits: Arafat and Rabin at the White House in 1993; Nixon thrusting out his hand to Zhou Enlai in Beijing in 1972. They are a big reason the airline industry does not feel threatened by the rise of videoconferencing: "You can't fax a handshake" is a popular saying at many companies.

And as American-style capitalism sweeps through distant countries, more people are shaking hands, according to Roger E. Axte, editor of a series of "Do's and Taboos" books about body language around the world. In the United States, he added, even more women are joining in the ritual.

But think again before you reach out and glad-hand. The handshake, as natural an act as walking upright, is being shaken itself, devalued as a symbol of trustworthiness and denounced as a health threat at the same time that technology holds the promise of upgrading it for new uses.

By most accounts, handshakes started as a way to show that neither person was holding a weapon. Desmond Morris, the anthropologist, calls the handshake a "tie-sign" because of the bond it creates. Through the centuries, the growing use of the handshake reflected greater equality among individuals, and it was used to seal

Whether sealing a deal, showing respect or just saying hello, a handshake created a special relationship.

agreements. The handshake became a friendly greeting, a sign of respect, a bet that new faces would be remembered.

But now, if you want to show someone respect, perhaps you should consider not shaking hands. That was the lesson Alonzo Mourning, the star center for the Miami Heat, tried to draw in May from the fifth game of the Eastern Conference finals of the National Basketball Association, when Michael Jordan of the Chicago Bulls refused to shake his outstretched hand.

### Respectfully Declined

After the game, with the Heat eliminated, Mr. Mourning said Mr. Jordan's reaction flattered him. "It makes me think we got their respect," he said. (Athletic-shoe makers are no doubt fighting over rights to a new marketing slogan: "No Handshakes.")

Others interpreted Mr. Jordan's refusal more traditionally. The Bulls had criticized Mr. Mourning for dirty play throughout the playoffs.

The handshake after a game has long been a tradition in youth leagues, but it no longer moves kids to lay down grudges and hard feelings. Coaches say players often spit in their hands before congratulating opponents. In January, a fight broke out in a handshake line after a junior hockey game in Rhode Island.

At the French Open this year, Thomas Muster was so incensed by the antics of Jeff Tarango across the tennis court that he broke with tradition and refused to shake Mr. Tarango's outstretched hand after beating him.

Even the "golden handshake" appears to be suffering from deflation. In British Columbia, Canada, the provincial government is considering a rule to limit lump-sum severance payments to 24 months' pay for executives ousted from government-run companies and agencies. A former president of a government-run utility, for example, was found to be taking home \$25,000 a month three years after he left.

Moreover, handshakes can be bad for your health. The Massachusetts Medical Society

Continued on Page 4



Handoff: In Bosnia, a changing of the guard.



Hands across the ocean: Spain's Queen Sofia in Mexico.



Hand in hand: Boris Yeltsin and Belarus's President.



Hands high: A cheer for the second Simpson verdict.



Four hands: An award ceremony in the Oval Office.

## Europe's Hard Look Back

A younger generation casts aside some national myths about the Holocaust.

By Alan Cowell

4

## More at Eleven

Crime is down in most U.S. cities, but you wouldn't know it from watching television news.

By Lawrie Miffelin

2



South of Prosperity  
Pictures of life and death at the edge of a new era.

By the  
photographers of  
Juárez, Mexico

3



# The Nation

## Appealing to the Law's Brooding Spirit

By LINDA GREENHOUSE

**A**MONG the flood of headline-grabbing opinions that poured out of the Supreme Court in the last few weeks, there were some other opinions that made not much news and no law but served notable purposes of their own. These were the separate expressions of individual Justices, concurring or dissenting opinions that sought not so much to influence the outcome of the case at hand as to plant a thought or start a fresh conversation. An art form all their own, these opinions open a window on the Court and show how the Justices express themselves unconstrained by the need to persuade adversaries or to steady wavering allies.

Dissenting opinions typically do have the aim of persuading, of course. In dissenting from the decision that overturned a portion of the Brady gun control law, Justice John Paul Stevens filed a 35-page rebuttal of every important point in Justice Antonin Scalia's majority opinion and may even, at least in passing, have shaken the five-Justice majority's united front.

One member of that majority, Justice Sandra Day O'Connor, felt obliged to write a two-paragraph

### Dissenting or concurring to plant new ideas.

concurring opinion that seemed to have the sole purpose of reassuring the public that the Court's sweeping manifesto for states' rights was not as unsettling as it appeared. "Our holding, of course, does not spell the end of the objectives of the Brady Act," Justice O'Connor said.

But persuasion was almost certainly not the purpose of Justice Stephen G. Breyer's separate dissenting opinion. He wrote that he subscribed to everything Justice Stevens had said, and went on to offer a different way of thinking about the underlying issue in the case.

"The United States is not the only nation that seeks to reconcile the practical need for a central authority

with the democratic virtues of more local control," he said. The federal systems of Switzerland, Germany and the European Union had all concluded — contrary to the majority's conclusion in the Brady Act case — that it made more sense, not less, for the central government to enlist the states in carrying out national policy.

The Supreme Court is not about to start interpreting the United States Constitution in light of other countries' charters, Justice Breyer acknowledged. But, he said, "their experiences may nonetheless cast an empirical light on the consequences of different solutions to a common legal problem — in this case the problem of reconciling central authority with the need to preserve the liberty-enhancing autonomy of a smaller constituent governmental entity."

Predictably, Justice Breyer's fellow academics — he has taught for many years at Harvard Law School — were intrigued by his opinion. "The Supreme Court has almost never treated constitutional experience elsewhere as relevant," said Mark Tushnet, a Georgetown law professor whose book on comparative constitutional law was among the many works Justice Breyer cited.

The opinion "reflects the globalization of constitutional law," Mr. Tushnet said. "Breyer is speaking

as an academic. He's saying, 'Here's something I'd be interested in people talking about later.'"

Laurence H. Tribe of Harvard Law School said, "Each Justice has a different audience based on the way they perceive their place in history and on the world stage. Among the audiences for any Supreme Court opinion, he said, are the decision's 'immediate users' and its later 'evaluators,' including political scientists, law reviews, law clerks, judges and even future Justices. Separate opinions, Mr. Tribe said, serve as 'tendrils that link the Court's immediate result to adjacent areas and related communities.'"

### Assisted Suicide

A classic use of concurring opinions, which was displayed in the assisted suicide decision this term, is to qualify the majority opinion. Justice O'Connor's concurring opinion made it clear that Chief Justice William H. Rehnquist's opinion for the Court could not be read as an unqualified rejection of a constitutional right to a physician's aid in dying.

Another strategic purpose is to announce a Justice's willingness, in a future case, to entertain a particular argument. Justice Clarence Thomas concurred separately in the Brady Act case to suggest, among other

propositions, that the Second Amendment's reference to the "right to keep and bear arms" might negate the Federal Government's authority to regulate gun sales at least within a single state's borders.

Lacking any relevant Supreme Court precedents, the challengers to the Brady Act had not even raised a Second Amendment argument. But Justice Thomas's opinion, referring to a famous 1833 commentary on the Constitution, said: "Perhaps, at some future date, this Court will have the opportunity to determine whether Justice Story was correct when he wrote that the right to bear arms 'has justly been considered as the palladium of the liberty of a republic.'"

Less frequently, a Justice will use a case the Court has not even agreed to decide as a vehicle for further discussion. Two years ago, for example, the Court unanimously turned down an appeal by a Texas death-row inmate, Clarence A. Lackey, who argued that his 17 years on death row amounted to unconstitutionally cruel and unusual punishment. As is customary, the Court simply denied the case without comment.

But Justice Stevens wrote separately, not to dissent but to elaborate. Mr. Lackey's "novel" claim was "not

without foundation," Justice Stevens said. It had such "potential for far-reaching consequences" that the state and lower Federal courts should study the issue before the Supreme Court plunged in, he said.

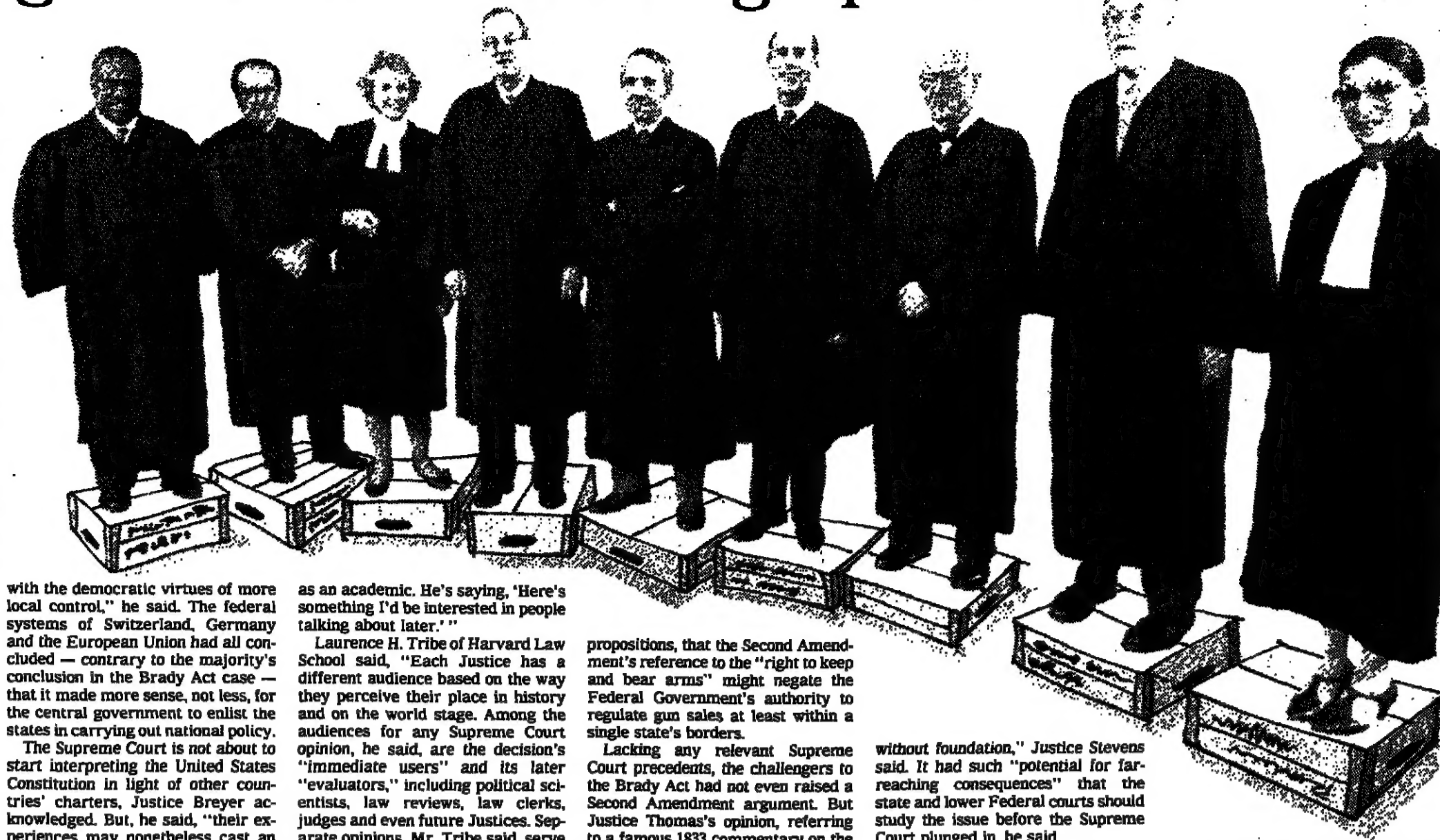
The use of individual opinions has varied over the Court's history. In the earliest days, there were no opinions for the Court as a whole; each Justice announced his views separately. The third Chief Justice, John Marshall, began a tradition of forcefully announced opinions that spoke for a unanimous Court. Dissenting opinions came later; separate concurrences are the most recent innovation.

### New Deal Philosophies

They began to flower in the New Deal period, said David M. O'Brien, a political scientist and Supreme Court specialist at the University of Virginia. "New Deal liberalism didn't have a coherent philosophy, so each Justice felt free to elaborate," Mr. O'Brien said. "Now conservatives domi-

nate the Court, so we see a working out of the nuances of conservatism through separate opinions. The question in many of these cases is how far the conservatives will go. Scalia and Thomas are always pushing, writing for the next 10 to 20 years, while O'Connor and Kennedy are writing to hold the line."

As for dissenting opinions, the classic description is that of Charles Evans Hughes, Chief Justice in the 1930's, who said a dissent should be "an appeal to the brooding spirit of the law, to the intelligence of a future day." The current Chief Justice offered a pithier if less poetic formulation in the 1970's, when he was often a lone dissenter against the Court's lingering liberalism. "It is an appeal to present and future brethren to see the light," Mr. Rehnquist said.



### Double Vision

## Crime Falls, but Not on TV

By LAWRIE MIFFLIN

**C**RIME reporting is such a staple of local television news coverage that it has acquired its own cliché: "If it bleeds, it leads." Whatever else might have happened, if someone is murdered, that story will lead the day's newscast.

So the continuing plunge in the nation's crime rates — last week, New York City reported that homicides in the first half of this year were down about 30 percent from the same period in 1996 — raises a question for television news directors: Are they now putting fewer crime stories on screen, too?

The answer seems to be no. "The fact that percentages are down doesn't affect our coverage," said Bill Carey, news director at Channel 2 in New York, CBS's flagship station. "The communities who suffered and the families who suffered the crimes still want to know about them."

The real-estate salesman who was stabbed to death and dumped in a pond in Central Park, allegedly by a teen-age girl and boy; the dedicated teacher and son of Time Warner's chief executive who was slain, the police say, by a former student; the 7-year-old girl abducted on her way to school in Chinatown — these murders would have been news no matter what.

### Breaking the Habit

But it isn't the dramatic cases that dominate crime coverage on local TV, said Joseph Angotti, a former senior vice president of NBC News who is now a professor of communications at the University of Miami, and who directed a study this year of the content of local news programs in eight cities. "Since journalism began, people have been infatuated with stories of big crimes, big trials. What's driving television news today is the ordinary, continuous kind of crime stories. It's a habit they've gotten into and it's difficult to break."

Mr. Angotti and his colleagues found that crime and criminal justice stories took up 29 percent of the average early-evening newscast in eight cities studied. Other studies in the last decade have found a similar proportion — around one-third of the average local newscast.

"Most of that crime coverage is not editorially driven, it's economically driven," Mr. Angotti added. "It's the easiest, cheapest, laziest news to cover, because all they do is listen to the police radio, react to it, send out a mobile camera unit, spend an hour or two covering it and put it on the air."

Naturally, not all news directors agree. Many believe crime news matters to viewers. And some say their coverage has shifted as crime patterns have changed. Mr. Carey at Channel 2 says the ebbing of the city's crack-cocaine problem has changed the nature of crime reporting.

"When the drug epidemic was worse, in the late '80's here in the city, the violence was much worse and the ways people killed people were worse," he said. He mentioned schoolyard shootings, drug users killing innocent people for money and, in particular, the story of a cocaine-using woman who held her crying toddler over



After a shooting at a New York City high school.

flames on the stove, giving the child such severe burns that he later died.

But to the average citizen, random crime is scarier than the drug-related crime that occurs most often in the poorest neighborhoods. The four local news directors interviewed said that even as they continue to put crime stories on the air, their coverage has changed to reflect the general belief that the city is safer.

### The Giuliani Factor

Publicity helps build that belief, and Mayor Rudolph W. Giuliani and his supporters have repeatedly publicized the statistics.

"Giuliani is making that his mantra, so if we're covering the Mayor of the City of New York, it's hard not to hear it," said Marie Hickey, the news director at Channel 5, the Fox Broadcasting station. "And of course people applaud the fact that crime is down. We did a piece on that in early June, and found that people do believe it's down and do feel the city is safer."

Paula Walker, the news director at Channel 4, NBC's New York station, said recently that she has been trying to change the mindset in her newsroom. "When I challenge our people on beat checks," she said, refer-

### Headline News

Crime pays, at least for the media that cover it, a recent survey of public attitudes toward the news suggests.

For each of the following topics, are you extremely interested in it, very interested, somewhat interested, not too interested or not at all interested?

Percent of respondents who said they were extremely or very interested.

News from where you live	69%
Crime	68%
The environment	59%
News about local government	54%
National news	52%
News about national government	48%
World news	40%

Based on a January 1997 national telephone poll of 1,500 adults by the Roper Center for Public Opinion Research, the Newsweek and the Media Studies Center.

ring to the daily phone calls made to check for news, "it's to ask, 'Why are we calling the cops? Why don't we call the schools? Why don't we call the hospitals?' Because if you're going to call around and find out whether anything's going on today and the only places you call are the police stations, what diet will you present but a diet of crime?"

That has been the diet presented by most local television station newscasts, however, especially in cities. Mr. Angotti said it may change — again because of economics. "In at least three of the cities in our study," he said, "we found that the stations that were using the least amount of crime news were getting the highest ratings. So the theory that if you give people lots of blood-and-guts, that's what they'll watch is not necessarily true."

As Channel 4's Ms. Walker pointed out, in a big city there will always be plenty of crime. It is each station's choice how much of it is worth putting on the air — and what to keep off as a result.

"Crime is always devastating to the victims, and I don't want to minimize that," she said. "But we have only a finite amount of time to present our news agenda. And most people in our tri-state area do not walk around every day expecting to be murdered."

## Breaking the Tax Code

Continued From Page 1

tial nomination last year on a platform of replacing the current tax system with a single flat rate, issued a memo last week characterizing the emerging tax plan, although largely the work of Republicans, as "Big Brother Clinton knows best."

### The Pathetic Reward

"If your family does exactly what he wants you to do, when he wants you to do it, where he wants you to do it," Mr. Forbes said, "then you might get a pathetically small little break on your Federal taxes."

But by Mr. Forbes's standard few Congressional Republicans could claim to be pure. Speaker Newt Gingrich pushed into the House tax bill detailed provisions designed to attract investment, jobs and new residents to the District of Columbia. Representative Bill Archer, the Texas Republican who as chairman of the Ways and Means Committee rails against the complexities and inequities of the tax code, still champions narrow provisions, including a permanent extension of a tax credit to encourage pharmaceutical companies to do research on treatments for obscure diseases. And most Republicans have wholeheartedly embraced the religious right's argument that the proposed child credit will strengthen families, even while admitting that the credit will do nothing to strengthen the economy.

There is another reason politicians choose the tax code to pursue policy objectives. In this age of fiscal austerity, new spending programs are a tough sell in Congress. But if the same initiatives are dressed up as tax cuts they look much more palatable.

"One looks like smaller government," said C. Eugene Steuerle, a tax expert at the Urban Institute in Washington. "One looks like bigger government. In fact, they both do exactly the same thing."

### Mortarboard Credit

Take President Clinton's effort to encourage more high school students to go on to college. He has already won additional financing for Federal tuition grants for low-income students, and although he no doubt could have designed a spending program to make college more affordable for many middle-class students as well, he would have got little support in the Republican Congress.

As a \$35 billion tax cut, however, Mr. Clinton's proposal to give credits of up to \$1,500 for the first two years of college is almost certain to be enacted at least partially. Never mind that analysts doubt that the credit will inspire students who would otherwise be content with a high school diploma to enroll in college. Indeed, some analysts assert that the plan's main effect would be to increase tuition inflation.

Yet for all the uncertainty about what effects on behavior the tax bill will have, there is one outcome that is beyond doubt: In its efforts to make the tax code do more things for more people, Washington is again putting aside its promises of simplification and making the system more complex.

Colonia Mexico



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Rock to Justice for  
by housing in great  
plumbing.



# Juárez, Mexico: On the Border, Between Extremes

**C**UADRUÁZ, a city of well over a million people just across the Rio Grande from El Paso, Texas, is a dynamic point along the membrane between the world of the desperately striving in Mexico and that of the relatively prosperous in the United States.

The photographs on this page capture some of the border's grit, hustle and run-of-the-mill horrors: Mongrel dogs prowl beneath freshly hung women's stockings in the midday sun. The body of an electrocuted man sizzles atop a power line he had illegally tried to tap. And a slain young woman lies partly buried in the sand — one of those routinely savaged in a city that draws people from afar to jobs in its many maquiladoras, the foreign-owned border factories, or to its attendant professions, like prostitution.

These pictures are among thousands taken since 1993 by a group of Juárez photographers who set out to document the vibrant and violent life of their town. The work of the 11 photographers (several of whom are employed by the city's main paper, *Diario de Juárez*) is being published in a forthcoming book, "Juárez — The Laboratory of Our Future" (Aperture).

Although the 1994 North American Free Trade Agreement was supposed to bring economic prosperity to Mexico, some people see the grim Juárez photographs as evidence of the exploitive nature of Nafta. But Jaime Bailleres, one of the photographers, noted that this growing city next to the world's most powerful economy presented plenty of troubling tableaux long before the advent of free trade.

The photo project is noteworthy, he said, because it was produced locally, by people who were working with the same handicaps and under the same hazardous conditions that confront all Juárez residents. The photographers, using ancient Pentax cameras, typically earned \$50 to \$80 a week, and risked their lives, alienating drug traffickers, gangs and the Mexican authorities. "It's like working in Bosnia," Mr. Bailleres said.

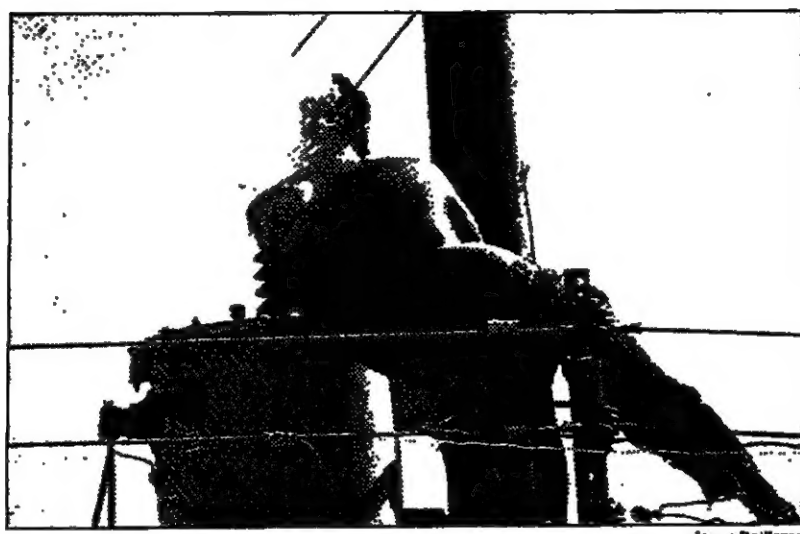
TOM KUNTZ



**From el Norte** On the Puente Negro, a border-gate mural showing the enslavement of Mexicans opens to let in a train from Texas.



**Colonia Mexico '68** A neighborhood founded by workers.



**Electrocuted** A man dies stealing electricity.



**Death in the Desert** Murder victim on the city's outskirts.



**Downtown Hustle** As Mexicans flock to Juárez for work and opportunity, housing is in great demand and so is plumbing.



**Huddled Masses** Protesting farmers camp out at a border crossing.



**Hung Out to Dry** Laundry day in one of Juárez's poor colonias.



**Street-Wise** A musician tries to make some money by playing and selling little flutes on the streets of Juárez.



# The World

## After 50 Years, Europe Revises Its War Stories

By ALAN COWELL

**F**OR most of the post-World War II era, ordinary Europeans looked back on the Holocaust as a symbolic stereotype, an awful composite of gas chambers and closed railroad cars that dwelt in the domain of German guilt.

But since Switzerland's wartime dealings with the Third Reich began hitting the headlines last year, something fundamental has shifted: the Holocaust has been reborn as Europe's business, not just Germany's, forcing countries into a painful reshaping of the narratives by which they define their individual pasts, just as they quest for a new, collective identity for the future.

Switzerland is the most glaring example of history revised, for Switzerland had excelled in promoting integrity and probity as not just the stock-in-trade of its bankers but as national virtues. "If the question is, why is Switzerland singled out, the answer is that Switzerland singles itself out," said Elan Steinberg of the World Jewish Congress.

### Stolen Art, Deported Jews

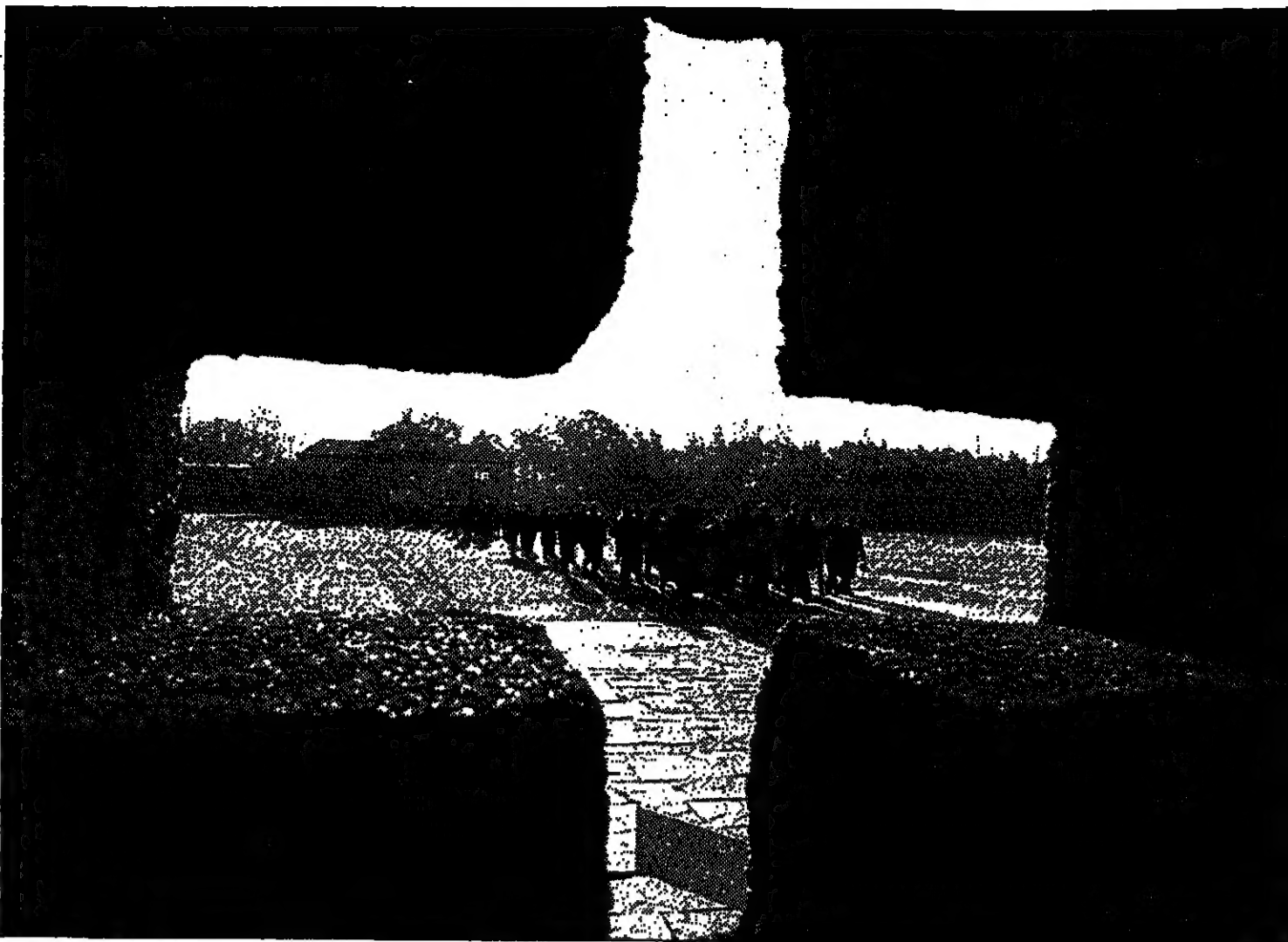
But as Switzerland insists, and as has become clear in the past few months in nations that were either occupied or neutral, Switzerland wasn't alone in cooperating with the Nazis. So — divisively in Norway, submissively in Sweden, reluctantly in France — history has become news in the broadening of an old question: not just what did you do in the war, but what did you really do?

In France authorities have acknowledged that buildings now owned by the city of Paris and 1,955 art works in French museums were stolen from Jewish families by the pro-Nazi Vichy Government, which also deported 75,000 Jews to concentration camps.

In Portugal, which was like Switzerland a wartime neutral, trade with Nazi Germany netted up to 100 tons of gold — much of it looted, all of it routed through Switzerland — in return for Portuguese textiles, food and, most important, tungsten, used in the manufacture of steel for the implements of war.

In Sweden, as in Switzerland, authorities have established a commission to answer the question of why neutral Sweden traded iron ore for Nazi gold, directly fueling the German war machine. In Norway, a bitter dispute has erupted over how the country should atone for the fact that Norwegian authorities — not Nazi occupiers — arranged for the deportation to Auschwitz of 790 Jews.

The perception of the Holocaust is being refashioned into finer shadings at the insistence of a new generation young enough to be free of its forebears' denial but not so young



Germany has a national commemoration day for Holocaust victims. A ceremony at the former Sachsenhausen concentration camp.

as to have no memory at all (a third of 8,000 Swedish schoolchildren in a recent survey said they doubted that the Holocaust occurred).

The core of evil lay in Auschwitz or Treblinka, but its echoes resonated in distant financial transactions in Stockholm, Lisbon and Zurich that bolstered Hitler's armies; in the readiness of Allied intelligence to suppress news of the beginnings of genocide in 1941, in the souls of collaborators in the Netherlands and France who helped willingly in the deportation of Jews.

"That is the crux of the matter," said Arne Ruth, a prominent Swedish newspaper editor and historian of the Third Reich. "The nations of Europe were not forced to confront the fact that the Holocaust was much, much wider than just some lunatics in Germany."

But why are nations confronted now?

"Number one, the cold war," said Richard C. Holbrooke, the former United States Ambassador in Bonn and chief negotiator on Bosnia. "In the cold war the rule was that you didn't rattle the cage."

### Going Easy on Allies

Thus there is documented evidence that in the immediate postwar era the United States and its allies eased their pressure on Switzerland to release German assets held by its banks, including Nazi loot. Meanwhile, Austria, which provided soldiers for the Third Reich, was paid back some of the gold taken to Berlin from its central bank in 1938, the year Hitler's troops were generally welcomed by an Austrian citizenry that is still far from any public soul-searching.

Once such global constraints as cold-war

politics were removed, this argument goes, the myriad sores that had festered untended for decades re-emerged.

But there was another process at work. Secret archives were opened. Generations shifted. Even in Switzerland, from the mid-80's on, a school of younger historians and writers challenged the postwar myths of valiant resistance by which Switzerland had explained its wartime survival.

In Germany in 1985, Chancellor Helmut Kohl and others of his generation sought to redefine Nazism as a period when their land and people had been occupied and oppressed by evil forces. But a year later, the debate was reopened by "Hitler's Willing Executioners," a study by a historian at Harvard, Daniel J. Goldhagen, ascribing the Holocaust to a visceral anti-Semitism among those same ordinary Germans Mr. Kohl had called

History has become news as a younger generation casts aside its parents' comforting national myths.

oppressed.

For a younger generation, taboos had been broken. And that generational readiness to confront the past is visible even in those European nations like Portugal whose authorities still seem as resistant as Switzerland once was to prying open the Pandora's box of the past.

Yet Europe's self-examination was neither conclusive nor universally self-starting. The traumatic catalyst in Switzerland came from the United States, in moral outrage stoked primarily by the efforts of the World Jewish Congress as well as by Senator Alfonse M. D'Amato and the Clinton Administration.

### The Peril of Forgetting

The controversy fed on the anger of those who suspected their forebears' stolen assets still lay in Swiss banks, who believed Switzerland owed a moral and financial debt and who insisted that injustice should not go unchallenged and that the Holocaust should not be forgotten with the aging of the post-war generation.

The result is a heady, ambiguous and perilous mixture. Arguably, it is in Europe's interest to confront its specters as it strives for a unification in the 21st century that will determine, Chancellor Kohl insists, whether the fault lines that brought two world wars and the Holocaust to the continent's bloodiest century are finally sealed.

But as a Swiss diplomat in Europe remarked privately last week, "Too much outside pressure just makes us want to say: Enough, we'll go our own way."

In Switzerland, such sentiments, reinforced by the Clinton Administration's own critical report on the Nazi gold affair this year, have raised the same ghosts that were supposed to be laid to rest, coaxing forth a latent anti-Semitism that many Swiss would prefer to disavow.

History, thus, made news twice over in Switzerland: first by its revision, then by colliding head-on with those who did not want the myths and narratives to be rewritten, certainly not by outsiders.

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## The Handshake Is Losing Its Grip

Continued From Page 1

recently started an advertising campaign that encourages people to wash their hands more often, pointing out in one radio spot that "any friendly handshake can carry many illnesses."

Robert E. Swindle, a retired business professor in Peoria, Ariz., wants to abolish handshaking altogether. After all, now that most people don't carry concealed weapons in their hands, the ritual has lost its usefulness, he said. Mr. Swindle is also concerned about how quickly germs spread through handshakes, particularly in settings like doctor's offices and hospitals.

"I saw a cardiologist recently, and he shook hands with me three times," he said. When Mr. Swindle does not want to shake hands, he smooths out an uncomfortable moment by saying that he cannot because of a finger he fractured playing basketball.

But if Mr. Swindle got his way, something would clearly be lost in society. Allen Konopacki, who runs a sales training company in Chicago called the Incomin Center, tried an experiment last year to better understand the handshake effect. He and a group of students left a quarter in a public phone, and after strangers used the phone and took the coin, a student walked up to ask if they had seen the quarter. Of the roughly 75 people he tried this on, well over half lied, saying they had not seen the 25 cents that they had pocketed.

Mr. Konopacki and his students then tried the experiment with 75 more strangers, but this time the student greeted the person with a quick handshake and introduction. Only 14 of the 75 lied.

"A handshake," Mr. Konopacki said, "creates a higher level of trust, a degree of intimacy, within a matter of seconds."

### Hanging On

Politicians who grab every hand they can on the campaign trail clearly believe this to be true. But the handshake is also a way for the masses to get some quality face time. When Prime Minister Jean Chretien of Canada was glad-handing in May at a campaign rally in Edmonton, Alberta, one man refused to let go as he yelled in Mr. Chretien's face about his decision to call an election at a

time when flooding had caused a crisis in the West.

I.B.M. is perhaps the most ambitious of the lot in trying to find new uses for the handshake. Big Blue created a small stir at the annual consumer electronics trade show in January with a prototype of its Personal Area Network, or PAN.

Though it won't be available for a while, the company says it has the technology to transmit data — like a digitized business card — between two people with just a handshake. The PAN device, about the size of a thick credit card so it can be carried in a pocket, creates a low-power external electronic field using the natural salinity of the human body that can transmit data to, and receive data from, someone else with a PAN device. The stored information can be viewed later with a computer.

Some sociologists say the apparent drop in the traditional value of a handshake reflects a general decline of loyalty in American society to institutions like marriage and between employers and their workers.

But Alan Wolfe, a sociologist at Boston University, disagreed. He said that while the handshake has been devalued by those in the media spotlight, the gesture carries just as much weight as it always has among most people because so many face-to-face encounters have been replaced by phones, faxes and E-mail.

"The handshake is really reserved for special moments," he said. And you never know when such moments might arise. In January, a small group of men were moved to shake the hands of staff members in a bank in central Italy. It was, after all, a special time for everyone involved. The men were about to leave, having just finished robbing the bank.



ECONOMY

# The Greening of Gambling's Golden Boy

By JON CHRISTENSEN

**W**LAKE TAHOE, Nev. can't back down," said Steve Wynn, the chairman and chief executive of Mirage Resorts Inc. "I'll throw my body in front of the train."

Mr. Wynn had leaned close to buttonhole a board member at a meeting here in March of the Tahoe Regional Planning Agency, but his forceful stage whisper carried around the room, just as he had intended. "We sent a message to



Casino magnate Steve Wynn

those guys," he said. "And as long as I'm around, we won't back down."

Mr. Wynn is used to getting his way. The strong-willed and hot-tempered head of one of the country's biggest gambling companies, he has built a string of hugely successful casinos in Las Vegas. He recently beat Donald Trump in a court battle over an access road that will pave the way for his triumphant return to the Atlantic City waterfront. And he is building the biggest casino on Mississippi's Gulf Coast.

He has also been flexing his muscles lately around Lake Tahoe, the popular gambling center and recreation area surrounding the California-Nevada border, 350 miles northwest of his home base of Las Vegas.

But while Tahoe seems like a natural setting for yet another of his gargantuan gambling palaces, Mr. Wynn's tough talk at the planning board meeting had nothing to do with winning a building permit.

To the contrary, Mr. Wynn is on the board. What he was so emphatic about was water, specifically the once-pristine waters of the 250-square-mile lake that anchors the region. And the "train" he was so ready to throw his body in front of is the armada of Jet Skis and other so-called personal watercraft that he says are dumping large amounts of unburned fuel in those waters, contributing to the alarming pace at which the lake is losing its celebrated clarity. Ten days ago, he got his way, when the board voted to ban the machines from the lake starting in two years.

Steve Wynn, master developer of mega-casinos, met Steve Wynn, hard-core environmentalist.

The man who runs a casino that sports a "live" volcano out front and another that pits pirates against the British Navy in life-size ships every other hour says he is now worried about the excesses of development. And not just in Tahoe, where he owns a sprawling vacation home next door to Michael Milken's and serves as Nevada's at-large representative on the planning agency's 15-member governing board.

He has also spread the message to Las Vegas, a symbol to many of American overbuilding in full flower and a city that Mr. Wynn developed as much as anyone.

"It's time for us to slow down and think about where we're going," Mr. Wynn told a gathering of business executives and civic leaders there earlier this year. The breakneck pace of development that has made Las Vegas the fastest-growing city in the country for more than a decade is leading to "quality problems."

All of this has plenty of interested players — environmentalists, casino competitors and gambling industry experts, not to mention Tahoe and Las Vegas residents — putting down bets about what is going on.

Some question how a developer as dedicated as Mr. Wynn could suddenly reveal a deep green streak. They wonder whether his apparent commitment to the environment camouflages a more complicated agenda.

The possibilities are as varied as Mr. Wynn's interests. Did he join the board to protect his multimillion-dollar investment in a vacation paradise? Is he trying to win points with the Government at a time when a new Federal commission is starting hearings on the social and economic effects of the spread of legalized

gambling? Is he simply trying to keep Tahoe at bay now that his most expensive casino, the \$1.4 billion Bellagio, is rising on the Vegas Strip?

The son of a compulsive gambler who died in debt, Mr. Wynn has spent his life fulfilling his father's dream of building a casino empire. Now that he is 55, these people say, he wants to be remembered for more than just casinos.

The clock is ticking for Mr. Wynn in another way. He may go blind, a likely outcome of the degenerative eye disease that surfaced when he was 29. The inherited, incurable disease, retinitis pigmentosa, destroys nerves in the retina.

Whatever is making Steve Wynn run, some environmentalists are glad to have a businessman of his power on their side. After all, he is a wily operator who knows how to make use of laws and government agencies to get what he wants in the gambling world. Bringing those skills to the defense of a lake's water quality should produce big dividends, some say.

They point to the rancorous, 12-hour meeting late last month at which the planning board backed his campaign against Jet Skis and similar machines, waterborne cousins of the motorcycle that are almost as fast and certainly just as loud as their wheeled relatives. The board voted 10 to 4 to ban all such machines, whose two-cycle engines run on a mix of gasoline and oil, from the lake beginning June 1, 1999. Mr. Wynn led the fight for the ban, arguing that the engines discharge hundreds of thousands of gallons of unburned fuel into the lake each year. The ban, which is expected to be appealed by manufacturers and rental shops, is far tougher than the position taken by the Environmental Protection Agency.

## Jumping Into a Lake's Future

Mr. Wynn came to the Tahoe area in 1982, building a getaway home in the lakeside enclave of Incline Village, or what locals call "Income Village." It is a "nice, roomy house," he said, "with three bedrooms, a gym and a media room, and a little guest house with two bedrooms, on five acres."

For a time, Mr. Wynn kept a fleet of five of the noisy watercraft at his dock, jumping waves in front of his estate with the likes of former President George Bush.



Steve Wynn is working to halt growth and save the natural wonder of Lake Tahoe.

But Mr. Wynn soon learned that there was trouble in his newfound paradise. Lake Tahoe, set more than a mile high in the Sierra Nevada, is surrounded by granite peaks draped with dark green pine forest. But the lake's famous clarity is rapidly declining. The first scientist to measure the clarity in 1873 could see a dinner plate 108 feet down. A similar plate is visible only to 70 feet today and the clarity is deteriorating at the rate of a foot and a half a year, according to the regional planning agency.

Soil runoff is a major villain. After reading a magazine article about the banning of personal watercraft from a Swiss lake, Mr. Wynn decided that the zippy little machines were another. He sold off his fleet (though he kept a large powerboat, which uses a less-polluting four-cycle engine) and made a lakewide ban his mission.

That raised the hackles of some local residents, who quickly came to regard him as a high-profile interloper who was meddling with their way of life.

"Lake Tahoe is being taken over by fat cats like Steve Wynn," wrote Jeff Ackerman, publisher and editor of The Nevada Appeal, the daily newspaper in Carson City, the state capital. "The billionaires are running the millionaires out of Tahoe. And they're using Tahoe's clarity as a tool to rid themselves of the riffraff who can't afford a giant lake cruiser that Wynn and his buddies use to cruise what is becoming their own private paradise."

Mr. Wynn dismissed the attacks as

"sound and fury signifying nothing." In an interview before the board vote, he said: "The agency is being put to the test on this issue. If it can't deal with something as black and white as that, then it's useless."

Mr. Wynn gets up to Lake Tahoe on a company jet about once a month for board meetings, sometimes making additional trips to ski (which he says he can handle just fine, despite his vision problems) or to spend time on the lake.

"Tahoe is my thing," he explained. "I was brought up in the mountains in a place very much like Tahoe on a reduced scale, with a pine forest surrounding a lake. Once you're a mountain person, you're always a mountain person."

Mr. Wynn, who grew up in Utica, N.Y., spent his early summers at Old Forge in the Adirondacks. He named his Lake Tahoe home Old Forge out of "nostalgia for my childhood," he said.

It was a special childhood, marked by unusual defining moments. Mr. Wynn's father, who was born Michael Weinberg and later changed his last name, ran bingo parlors on the East Coast. The father was often in debt but Steve had everything he wanted. He went to prep school before going to the University of Pennsylvania, where he earned a bachelor's degree in English.

When his father died in 1963, while undergoing open heart surgery at the age of 48, he left behind tens of thousands of dollars in gambling debts. Mr. Wynn and his wife, who also grew up in a family headed by a compulsive gambler, took over the bingo business. They were both 21. He called the numbers and she counted the money. It took years to pay off the L.O.U.s.

In 1967, Steve Wynn moved his family to Las Vegas. He bought a 3 percent stake in the Frontier Hotel casino and became the slot manager. When investigators discovered that the hotel was owned by Detroit mobsters, Mr. Wynn sold his shares, denying any previous knowledge of the underworld link.

He then became friends with E. Parry Thomas, the founder and owner of the Valley Bank, which financed much of the Las Vegas casino industry's expansion in the 1960's and '70's and later merged with the Bank of America. In 1972, Mr. Thomas helped arrange a real estate deal in which Mr. Wynn bought a lot from Howard Hughes for \$1.1 million and then sold it to Caesars Palace, next door, for \$2.25 million.

Mr. Wynn used the profit to acquire a 5 percent interest in the Golden Nugget, then a rundown casino in the Glitter Gulch section of downtown Las Vegas. He eventually took control, becoming at 31 the youngest person ever to run a casino in Nevada.

Most casinos in those days were dimly lit affairs that exuded an illicit backroom feeling. Mr. Wynn brought in the sunlight. He transformed the "gambling joint," as he called it, into a sparkling palace for high rollers, directly across from the spot on Glitter Gulch where his father had failed to open a bingo parlor.

Unlike his father, Mr. Wynn does

not gamble, viewing that part of his family history as a cautionary tale. "If you want to make money in a casino, own one," he has been quoted as saying.

## What Kind of Mission?

Mr. Wynn seemed relaxed at the agency meeting, where he bantered easily with fellow board members.

Mr. Wynn left the recent meeting early to go to Las Vegas for the opening of the Secret Garden at the Mirage, a habitat for the rare tigers used in shows by the house entertainers, Siegfried and Roy. He also had to prepare for Mirage Resorts' annual meeting.

The next day, Mr. Wynn told stockholders that the era of rapid expansion in the gambling industry was slowing. He said that Mirage Resorts might consider expanding through acquisitions, but that too many gaming companies were saddled with aging buildings in second-rate locations. In the meantime, the stockholders could look forward to the opening in September 1998 of the Bellagio and, three months later, the Beau Rivage casino in Biloxi, Miss., on the Gulf Coast. Construction has not yet begun in Atlantic City, where Mr. Wynn plans to build a casino in the Marina section.

In his remarks, he echoed his concerns expressed earlier this year that Las Vegas suffered from "quality problems," particularly traffic congestion and air pollution.

The population of the Las Vegas metropolitan area is 1 million, and it is projected to reach 1.6 million in 10 years. "Any given area can only take so many people," he said. "I'm not sure what that number is. But if the air's not clean and you can't move in the streets, it seems like you're getting there. So what do you do about it?"

His answer is to learn something from the Lake Tahoe experience. "It takes consensus," he said. "And the only hope is to educate the public."

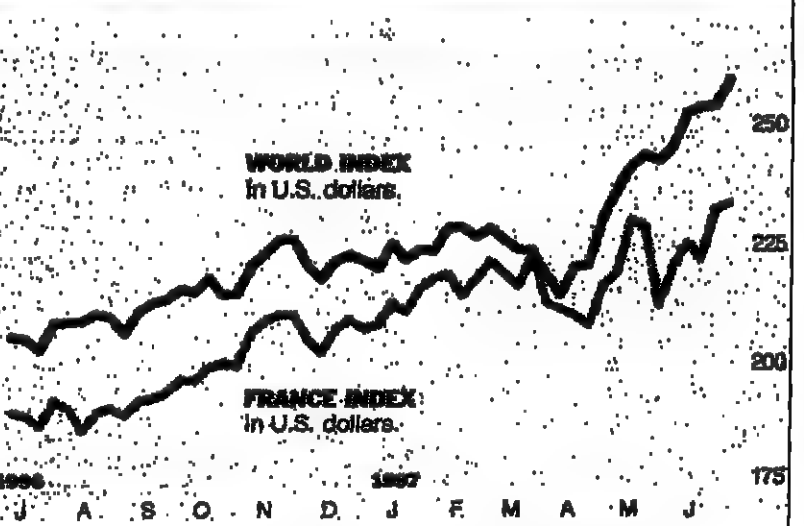
Skeptics say Mr. Wynn has a lot of moxie even to pose the question, given his own role in the city's growth. "If he's serious about controlling growth, he could be doing a lot more than he is," said Mr. Nielsen, of Citizen Alert. "It's a lot of hot air."

But others say he may be just the right person to ring the alarm. "When someone of his stature says things, people in Las Vegas tend to listen," said Mike Sloan, vice president of Circus Circus Enterprises, a competitor that jointly owns the Monte Carlo casino in Las Vegas with Mirage. "I don't think he's worried about competition. I think it is a quality-of-life issue."

Jeff Van Ee, a longtime Las Vegas environmental activist who sits on the local clean-air advisory board, offers some qualified support. "I find myself seemingly more in concert with him than I expected," Mr. Van Ee said. "I think he's changing. People are skeptical of his motives. As an environmentalist, looking at Steve Wynn and his impact on this community, I view him as a work in progress."

## WORLD STOCK MARKETS

PERFORMANCE IN U.S. DOLLARS						IN LOCAL CURR.					
Country	Index	Week % Chg.	Week Rank	YTD % Chg.	YTD Rank	Index	Week % Chg.	Week Rank	YTD % Chg.	YTD Rank	Index
Australia	243.87	2.2	15	9.9	19	3.58	215.06	15.7			
Austria	201.25	4.7	2	6.0	22	1.80	182.88	20.3			
Belgium	259.25	2.3	14	13.9	11	2.96	230.78	29.4			
Brazil	311.60	2.6	12	64.3	1	1.18	617.90	70.3			
Britain	319.10	4.3	3	12.7	14	3.57	280.97	14.5			
Canada	215.49	3.0	9	13.5	13	1.70	214.33	13.8			
Denmark	380.22	0.8	19	10.9	16	1.45	353.43	25.2			
Finland	262.06	2.0	16	18.9	7	1.72	319.03	34.3			
France	235.93	0.2	22	10.2	17	2.40	218.22	25.0			
Germany	221.02	0.6	20	16.3	10	1.41	200.97	32.0			
Hong Kong	532.12	-0.7	26	4.9	23	2.86	529.01	5.1			
Indonesia	253.09	3.7	5	10.9	15	1.71	377.52	14.2			
Indonesia	362.35	3.4	7	10.2	18	2.88	333.55	21.8			
Ireland	97.90	-0.1	23	17.3	8	1.88	124.53	31.4			
Italy	138.11	-2.1	27	7.0	21	0.79	89.14	4.7			
Japan	1,629.11	1.1	18	-15.0	26	1.39	497.98	-15.1			
Malaysia	512.93	1.1	13	33.6	3	1.31	14,162.23	34.9			
Mexico	416.20	2.9	10	23.8	5	2.08	373.98	40.8			
Netherlands	96.00	3.9	4	4.6	24	3.88	75.21	9.1			
New Zealand	323.37	3.2	8	9.4	20	1.92	320.13	25.0			
Norway	162.61	-3.4	28	-20.1	27	0.89	213.98	-19.8			
Philippines	386.34	-0.1	24	-8.0	25	1.20	254.82	-5.8			
Singapore	361.72	-0.6	25	13.6	12	2.42	357.75	9.9			
South Africa	274.06	2.7	11	24.7	4	2.17	306.73	41.6			
Spain	492.65	1.6	17	16.8	9	1.83	563.72	32.2			
Sweden	318.68	0.4	21	33.6	2	1.16	289.54	45.8			
Switzerland	68.73	19.2	1	-28.3	28	4.07	75.89	-20.4			
Thailand	370.81	3.6	6	22.8	6	1.68	370.81	22.8			
United States											



Figures through Thursday. Prepared by Goldman, Sachs & Co. using data derived from the Financial Times/Standard & Poor's Actuaries World Indices, a measure of stock market performance. The FT indices are compiled jointly by The Financial Times Limited, Goldman, Sachs & Co. and Standard & Poor's, in conjunction with the Institute of Actuaries and Faculty of Actuaries.

CURRENCIES				
Exchange rates	Thursday	Friday	Week % Chg.	Year Ago
Japanese yen to the U.S. dollar	113.80	114.55	-0.65	110.40
German marks to the U.S. dollar	1.7535	1.7387	+0.85	1.5236
Canadian dollars to the U.S. dollar	1.3730	1.3799	-0.50	1.3592
U.S. dollars to the British pound	1.6906	1.6839	+1.60	1.5583

Sources: Bloomberg Financial Markets; exchange rates as of Thursday's New York close.

## June 30-July 3: With Interest Rates and Wage Costs Steady, the Dow Hits a Holiday High

PRICES		
DOMESTIC EQUITIES Through Thursday		
Broad market	Up 3.34%	916.92
S. & P. 500 index		
Blue chips	Up 2.71%	7,895.81
Dow 30 industrials		
Small capitalization	Up 0.93%	396.17
Russell 2000 index		

DOMESTIC BONDS Through Thursday		
Treasuries	Up 0.87%	
Ryan Labs. Total Return		199.45
Municipals	Up 1.08%	
Bond Buyer index		119.66
Corporates	Up 0.96%	
Memil Lynch Master index		885.13

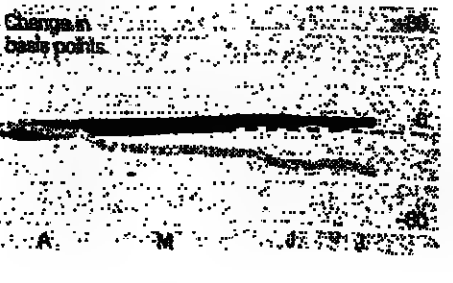
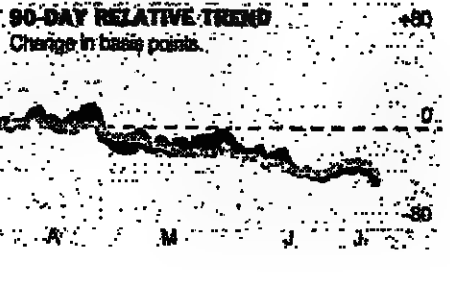
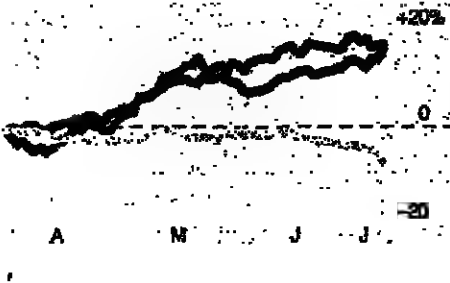
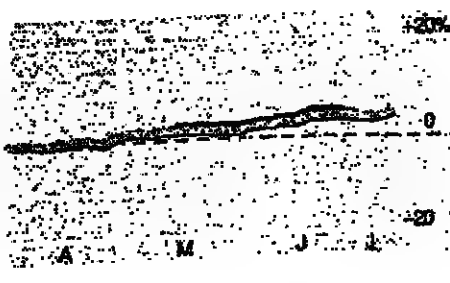
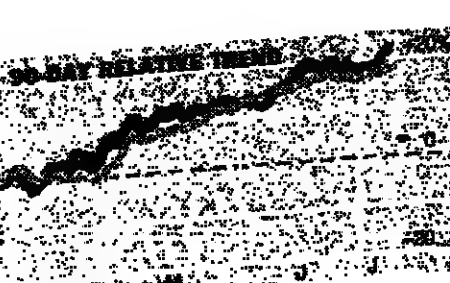
AROUND THE WORLD Through Thursday		
European stocks	Up 2.77%	
F.T.-Actuaries Europe		279.28
Asian stocks	Down 0.17%	
F.T.-Actuaries Pacific Basin		158.70
Gold	Down 3.19%	
New York cash price		\$325.20

Foreign indexes are given in dollar terms.

YIELDS		
BONDS Through Thursday		
Long bonds	6.62%	
30-year Treasuries	Down 12 basis pts.	
Notes	5.92%	
2-year Treasuries	Down 10 basis pts.	
Municipals	5.60%	
Bond Buyer index	Down 7 basis pts.	

100 basis points = 1 percentage point

OTHER INVESTMENTS Through Thursday		
Money market funds	5.04%	
Taxable average	Up 4 basis pts.	
Bank C.D.'s	5.21%	
1-year small savers	Down 7 basis pts.	
Stocks	1.68%	
S. & P. 500 dividend yield	Down 6 b.p.	



Sources: Bank Rate Monitor; Bloomberg Financial Markets; The Bond Buyer; Datastream; Goldman, Sachs; IBC's Money Fund Report; Merrill Lynch; Standard & Poor's; Ryan Labs.



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## Momentous Days in Madrid

Bill Clinton heads to Madrid this week to construct the foreign policy centerpiece of his Presidency, the eastward expansion of NATO. The United States has initiated no more fateful enterprise since the end of the cold war, yet it has done so largely without public discussion. With NATO planning to issue invitations to three new members in Madrid, a national debate can no longer wait.

Twenty senators, representing both parties, did their best to start one last week. In a thoughtful, deceptively mild letter to Mr. Clinton, the lawmakers identified many of the questions about NATO expansion that Americans ought to consider before committing their soldiers and nuclear weapons to the defense of Warsaw, Prague and Budapest. The letter attracted little public attention, but was closely read by Administration officials looking for some early indication whether a two-thirds majority in the Senate can be assembled in 1998 to approve NATO expansion.

It is too soon to know, but the 20 senators, led by Kay Bailey Hutchison of Texas, served notice that cornerstone elements of the NATO plan look badly conceived and that the Administration has so far done a dismal job of explaining and justifying the decisions that will be taken in Madrid. A stronger letter was sent to Mr. Clinton last month by some 40 Americans with European expertise, including former Senators Sam Nunn and Bill Bradley.

Tinkering with the map of Europe is not something to be done lightly. Two world wars started on the Continent this century and it was the primary battlefield of the cold war. Europe today is largely at peace and the great threat to democracy, the Soviet Union, vanished in 1991. If the map is to be redrawn, the reasons must be overwhelming and the potential consequences beyond doubt. NATO expansion does not now meet those tests.

The Hutchison group, for instance, would like to know what military threat NATO expansion is intended to counter, now that the Russian threat has receded. The senators, including conservative Republican Jesse Helms and liberal Democrat Paul Wellstone, wonder whether potential armed border disputes among new NATO members would warrant the use of American forces, as provided under NATO security guarantees. They are also concerned that NATO growth might jeopardize Russian approval of current and future agreements to cut nuclear arsenals.

## The Amnesty Option

Crimes that tear the soul of a nation should not be left incompletely examined or obscured by mystery. South Africa has shown the healing power of truth as it looks back at the crimes of apartheid, granting amnesty to whites and blacks alike who come forward with evidence of their past misdeeds. As Americans watch the work of South Africa's Truth and Reconciliation Commission, the moment may be right to consider whether a similar approach might be useful in the United States in certain narrowly defined situations. Unlike South Africa, whose new Government is still evolving, the United States has a fully developed and functioning criminal justice system. But it is also true that contemporary American society is still haunted by some unresolved questions that nag at the national conscience. Such questions, if left unresolved, promise to provide fodder for conspiracy theorists for decades to come. At a time when anti-Government propagandists are increasingly active, the prospect of increased alienation and mistrust among citizens is not an attractive one.

In our recent history, two traumatic events — the assassinations of President John F. Kennedy in 1963 and Dr. Martin Luther King Jr. in 1968 — have proved especially fertile for conspiracists. But many thoughtful, fair-minded students of history argue effectively that our knowledge of those events remains incomplete. The King family has requested that the Clinton Administration establish a commission, armed with the authority to offer amnesty from prosecution to anyone with new information, to look into Dr. King's assassination. Admittedly, the parallel to South Africa is inexact, and we recognize the drawbacks and risks, including a flood of crank claims and loss of the possibility that someone's death-bed confession could lead to new trials. But given the narrowing window in which to get testimony from any living people with direct knowledge, we see enough merit in the idea to recommend a broader national discussion.

Greater clarity about the two cases not only might establish the true boundaries of the crimes, but also might end the wild speculation that gnaws at America's faith in itself and its government institutions. Moreover, while there is much reason to be skeptical about the Kennedy and King conspiracy theories, it is clear that all potential areas of inquiry in these two assassinations have not been exhausted. Only last week we saw two new disclosures about the Kennedy assassination. Former President Gerald Ford cast new doubt on the single-bullet theory by disclosing that he altered the Warren Commission finding about the entry point of a bullet to President Kennedy's back. In the other development, new information became public about the Central Intelligence Agency's attempt to enlist the Mafia in an assassination plot against Fidel Castro. This invites re-examination of the view that

Two important issues cited by the senators flared up even before Madrid. One is that NATO enlargement may divide Europe into two classes of nations, those admitted to the alliance and those excluded. Even promises of future consideration for countries like Romania, Slovenia, Latvia, Lithuania and Estonia would leave them on the sidelines politically, militarily and economically. That may well turn into one of the most damaging consequences of expansion.

The answer is not to admit every applicant now. Even proponents of expansion recognize that doing so would overwhelm and weaken NATO. That leaves Washington and its allies skirmishing over the pace of expansion. A showdown was barely avoided in Madrid when France last week withdrew its insistence that Romania be offered membership immediately. This issue will continue to be a source of corrosive friction within the alliance.

The other immediate concern is the financial cost of expansion and how it should be apportioned among NATO members. The Clinton Administration, not surprisingly, has calculated a relatively modest \$35 billion price tag spread over 13 years to modernize the military forces of new member states. Washington's share would be roughly \$2 billion, or 6 percent. Other estimates run much higher, up to a total cost of \$125 billion, with Washington paying \$19 billion, or 15 percent. Senator Hutchison and her colleagues legitimately ask how the White House can be so certain Washington will ultimately cover just a fraction of the bill.

Hanging over the whole expansion plan is the potential adverse impact on Russia as it moves painfully toward democracy and free markets. Helping Russia complete that transition should be the primary objective of American policy today. NATO expansion, though grudgingly accepted by President Boris Yeltsin, seems likely over time to embolden Russia's anti-democratic forces. The first time NATO rejects Moscow's advice at a new consultative council set up to ease the concerns of Mr. Yeltsin, his accommodation with the alliance is certain to come under withering attack at home.

Given the absence of a clear threat to Europe and the possibility of so many unpredictable consequences, NATO expansion seems a gratuitous risk. If Mr. Clinton is determined to make it happen, he has an obligation to tell the American people why he is so sure it will not undermine stability in Europe and lead to a waste of American resources. He can begin in Madrid.

there was neither Cuban Government nor Mafia involvement behind the actions attributed to Lee Harvey Oswald, the identified gunman.

In making its amnesty proposal, the King family is seeking a fresh way to determine whether there was a conspiracy to kill Dr. King. In a tactic that harms its own cause, the family has rejected the view that James Earl Ray was involved. Even so, its plea has a firm factual foundation in one finding of the House Select Committee on Assassinations, which conducted a two-year investigation of the King shooting. The committee identified Mr. Ray as indeed the killer, but it also found that he was probably aided by other people who have never been apprehended.

Dr. King's son Dexter has alleged that his father was killed by Army intelligence, the Federal Bureau of Investigation and the Central Intelligence Agency, with the probable knowledge of President Lyndon Johnson. While the family's anguish is understandable, the wild flinging of unsubstantiated allegations can only deter serious debate about whether to use amnesty to resolve unanswered questions about a national trauma.

Amnesty cannot be offered lightly. The price of amnesty, as South Africa has seen, is that those involved in or knowledgeable about crimes are spared prosecution if they confess or provide new information. The President, Congress and many citizens may be unwilling to accept that tradeoff. There is also the remote but not wholly implausible fear that future assassins might assume eventual forgiveness if they can avoid capture long enough. No doubt book contracts and movie deals await anyone with valuable information about the Kennedy or King killings, although there might be legislative remedies for that.

For all these legitimate concerns, the notion of amnesty should not be dismissed. Since there are no official investigations extant in either case, the best hope of obtaining additional information would likely come with a declaration of amnesty and appointment of an independent panel to review new testimony. Amnesty would have to be strictly limited to the Kennedy and King killings, and carefully supervised by a responsible and experienced investigative group that can sift through new information to identify credible accounts.

In the end, the potential gain from an amnesty-driven inquiry may well outweigh the risks. Otherwise there is little chance of learning more. The lifetime of unidentified witnesses and conspirators, if they exist, is fast running out. There may be just a few years left to determine if the official findings are complete. Some risk is justifiable at this late date to provide history with a full account of two murders that convulsed and changed the nation.

## Condemning Nike Plants Won't Prod Change

To the Editor:  
Regarding Bob Herbert's June 27 column on my report on Nike's overseas labor practices:

I was reluctant to get involved with Nike in its Asian shoe conflicts because it would inevitably put me back into the "reasonable moderate" role I agonized over throughout my civil rights career. I plead guilty to idealism and optimism, but I have been through too many human rights battles to be called naïve.

Condemning people in the South or South Africa, however guilty, never produced much change. Helping them create a new relationship with a "no fault" analysis set them free to be part of the process of change.

I found Nike's staff in Asia idealis-

tic, sports-centered, socially isolated Westerners struggling with the demands of production. Their focus was quality control, without which there would be no jobs for anybody. They tried to avoid micro-management, and this was possible because there were no "systematic abuses."

Young women in their late teens and early 20's are supervised largely by women in their late 20's or early 30's. This isn't "management by terror," as critics say. It's management without adequate training or language skills. Nike has agreed to get involved and try to change the process.

Nike's critics deserve credit for raising these issues, but continued condemnation of the same few incidents among a work force of several

hundred thousand will cause people to stop listening or close factories.

The salary issue is seen by many as the primary structural abuse. I do not feel qualified to determine a living wage in Vietnam or Indonesia, but workers spoke, on and off factory grounds, of saving money and sending it home. Western clothing, motor scooters and the roadside merchants at factories, even where food was provided, did not give the impression of "starvation wages."

I believe that the United States and the world need a globally integrated economy. I am determined to facilitate that because it generates jobs at home and opportunity abroad.

ANDREW YOUNG  
Atlanta, July 1, 1997

## Try to Appreciate the Warm and Fuzzy Side of Baby Boomers

To the Editor:

In "Crybaby Boomers" (Op-Ed, July 2), Walter Kirn calls baby boomers the blame generation. I think he watched too much television and has fallen for the polls-as-truth myth. His parents should have turned off the set and explained that although a few people behaved badly, there were millions of well-behaved Americans working to end the war in Vietnam. Many also worked toward ending the injustice of poverty and encouraging women to see themselves as equal to men.

Histrionics were the tactics of a minority of those who participated in the challenging and perplexing activism of the 1960's. Blaming was hardly the root of that activism.

Yes, many boomers may have been potheads, but we were apples falling not far from our parents' cherished "cocktail hour." Most have outgrown these youthful adventures; sobriety is a far more popular trend than cocaine.

Many boomers had babies right after college, like young people now, and we are proud of our grown children. They have advantages we didn't have, especially our daughters, who are comfortable becoming doctors, lawyers and stockbrokers.

If we have complaints about the lack of civility, it is not with surly adolescents as much as with people who drive Range Rovers on city streets as if on safari. The death of good manners is ubiquitous. Baby boomers are actually a pretty lovely group.

JANE NORDLI JESSEP  
Wilton, Conn., July 2, 1997

### Proud of Our Children

To the Editor:

Walter Kirn hit the nail on the head in "Crybaby Boomers" (Op-Ed, July 2). I am familiar with the data supposedly decrying the youth of today, variously described as Generation X,



"Baby Busters" and "the Entitled Crowd."

But those statistics do not describe my children, who have gravitated toward the helping professions (nurse, police officer, teacher), or the majority of young workers who are upstanding and productive. Baby boomers should keep in mind that 30 years ago there was a group of older folks who looked at the younger generation and feared for the future of civilization.

DANIEL P. CARLSON  
Irving, Tex., July 2, 1997

### 'Oddly Soulless'

To the Editor:

It was encouraging to see Walter Kirn sticking up for young people (Op-Ed, July 2). What puzzles me is his about-face. In January 1993, he launched a merciless attack on twentysomethings in *Mirabella* magazine. He called Generation X "an oddly soulless counterculture, a sluggish mainstream underground that sold out even before it could drop out."

Now he's telling us that twentysomethings "have gotten a bad rap from their elders." Well, Mr. Kirn certainly knows from whence he speaks.

MAX BLOCK  
New York, July 3, 1997

### Slacker Parenting

To the Editor:

"Crybaby Boomers" (Op-Ed, July 2) is just what baby boomers (and the rest of the country) needed to hear.

If young people truly are immoral slackers, whose fault do the boomers think it is?

AARON STOLLER  
Albany, July 2, 1997

### Double Whammy

To the Editor:

We can sympathize with Walter Kirn because he has to live with "Crybaby Boomers" (Op-Ed, July 2). But poor me! Born in 1922, I have had to put up with not only the idiosyncrasy of his 1960's, but also the nonsense of his 1990's.

EDWIN S. JAMES  
Rock Hill, S.C., July 2, 1997

## Why Does It Take a Wrestling Match to Get Tax Reductions?

To the Editor:

Your July 1 front-page article on President Clinton's tax proposal says that it would provide "\$135 billion in tax cuts." Sorry, wrong number.

You fail to note that the proposal also includes about \$50 billion in tax increases, which bring the net tax relief offered to Americans to a mere \$85 billion through 2002, or just 1 percent of tax receipts. Mr. Clinton's 1993 tax increase was three times larger.

Some Americans will actually pay more under either the Administration's or the Congressionally approved tax relief bills. That's because higher or renewed taxes will fall primarily on air travelers, smokers and certain businesses. Yet more than a dozen countries, including Canada and Sweden, have ditched the obsolete ticket-tax scheme in favor of private air traffic control systems financed by airlines.

Cigarette taxes will supposedly finance new health programs. But if smokers start to quit and the tax revenues fall, where will the money come from to keep financing the programs? Taxes on nonsmokers or more debt, of course.

You note that the policy makers are about to "grapple with how to substantially cut Federal taxes for the first time in 16 years." Giving a penny back on a tax dollar to taxpayers shouldn't have to look like a heavyweight wrestling match when there is still so much waste in government.

DAVID L. KEATING  
Executive Vice President  
National Taxpayers Union  
Alexandria, Va., July 3, 1997

### Capital vs. Labor

To the Editor:

I am rather puzzled by the Republican proposal in the House to index capital gains to inflation (editorial, July 2; front page, July 1).

If I understand the proposal correctly, if the inflation increase in a given year is 3 percent and I invest \$20,000 in a stock whose value increases \$800 during the year, I pay no taxes on the \$800. However, if I receive a wage of \$20,000 a year and I get a raise of \$800, I am required to pay taxes on the \$800. I fail to see the equity in this.

In the one case I am investing capital, but in the other case I am investing labor.

DAVID EISENBERG  
Paradise Valley, Ariz., July 2, 1997

### Fairest Cut of All

To the Editor:

Too bad you can't combine "That's Class Warfare?" your July 2 editorial, with "It's Lonely Being a Deficit Hawk," the July 1 Op-Ed article by Representative Tom Campbell, to implement a balanced Federal budget over the long term.

If Mr. Campbell's courageous proposal to forgo tax cuts (that is, to put a bold on welfare politics especially for the rich) were enacted, "class warfare" would cease to be a problem and a balanced budget would be achieved much sooner.

The result would be lower interest rates and a stronger economy, which would benefit all classes, which is not the case with the current tax cut plans.

PRESCOTT WURLITZER  
Fox Point, Wis., July 2, 1997

### Payroll Taxes Count

To the Editor:

Bob Herbert (column, June 30) is right to be outraged that among \$135 billion in tax cuts, the Republican Party can find no money for tax cuts for the poorest working Americans.

But possibly more outrageous is the false and insulting characterization of their plan, and low-income workers, offered by Republicans. The plan would deny any tax cut to working parents who pay no Federal income taxes because of the earned income tax credit even though they may pay substantial Federal payroll taxes. Astonishingly, Republican leaders have been describing such workers as people who "don't pay any taxes." How long do they expect to get away with this falsehood?

JOHN R. STOPA  
Worthington, Ohio, July 1, 1997

### Elderly Lose Out

To the Editor:

Re "That's Class Warfare?" (editorial, July 2): You say the Republican tax-cut plan gives too little relief to the middle class. There are other disparities, too, in the tax-cut proposal and in the proposed budget. Take the elderly. They will face higher Medicare premiums and deductibles while their juniors enjoy a reduction in the capital gains tax.

And millions of retirees in T.L.A.A.-C.R.E.F., the teachers' and professors' pension fund, will see their annuities cut significantly if this tax-exempt group becomes taxable, as proposed.

DAVID KLEIN  
Seattle, July 2, 1997

## Victory at Saratoga 'Was All His Doing'

To the Editor:

The discovery of yet another gunboat of Benedict Arnold's fleet at the bottom of Lake Champlain (news article, July 1) is a significant event in a little-known chapter of the American Revolution.

What your article did not point out, however, was that not only did Arnold's fleet on Lake Champlain postpone the British attack for a year, but the American victory at the Battle of Saratoga was also the doing of Brig. Gen. Benedict Arnold. "It was all his doing" was the phrase used by the British commander, Gen. John Burgoyne, to identify the true victor of Saratoga.

This amazing chapter of the war was significant in that the victory at Saratoga persuaded the French court to recognize the rebels and supply them with gold, arms and troops.

That Arnold defected to the British does not in the least diminish his stature as a dashing military hero who brought the war to an end on the fields of Saratoga.

BRIAN RICHARD BOYLAN  
Minneapolis, July 2, 1997

## Schools Chancellor's Veto Discourages Women

To the Editor:

You report (news article, June 27) that Dr. Rudy Crew, the New York City Schools Chancellor, vetoed the appointment of a district superintendent, Claire McIntee, an elementary principal with 13 years of experience.

This reflects a seeming indifference to equity goals in hiring. Recent research has exposed the lack of women in hiring pools at the superintendent level. Ms. McIntee's performance, even at a small school, obviously earned the respect and confidence of the board in District 26.

In a large urban district, the fact that she was recognized and valued for her leadership indicates a high level of ability to manage and lead a community of staff and parents.

The administrative challenges of a small school are sometimes more daunting than the management of a larger organization; there are fewer human and material resources to address issues of similar complexity.

For those of us who have had the opportunity to move from a principalship to a district-level position,

Dr. Crew's exercise of power appears arbitrary and damaging to women's ability to leverage middle-management roles in the quest to reach the highest level of accountability.

FRANCES WILLS  
Briarcliff Manor, N.Y., July 3, 1997  
The writer is superintendent of schools in Briarcliff Manor, N.Y.

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Essay

WILLIAM SAFIRE

# Let's See if the System Still Works

WASHINGTON  
"No fund-raising calls or mail," warned White House Counsel Abner Mikva in 1995, "may emanate from the White House or any other Federal building."

That's the law. But money-hungry Bill Clinton soon replaced Mikva, a former Federal judge, with Jack (Telly) Quinn, less concerned with legal niceties.

The POTUS (President of the United States) and VP, e-mailed aide Karen Hancor in that law-breaking year, "offered ON THEIR OWN to make fund-raising calls for the DNC."

A few months ago, after Al Gore distanced his own supporters by claiming "no controlling authority" stopped him from soliciting money from his Federal desk, the President pretended he could not

recall doing anything similar. Now, on the eve of the Senate's Thompson committee hearings, the truth is seeping out: Clinton personally leaned on 15 to 20 fat cats, often from his Oval Office phone, for at least \$500,000 — including one call urged by Vernon Jordan to shake \$100,000 out of a Maryland businessman.

Both Clinton and Jordan are lawyers. They know the law against soliciting on Federal property. They were reminded of that law by the unwellcome Judge Mikva. Perhaps they were confident that Janet Reno, acting as a one-woman Supreme Court, would choose not to enforce that law.

But they surely knew how repugnant the American people would find the spectacle of their President, in the Oval Office, personally wheedling money out of wealthy citizens, with all the intimidation that such a "request"

carries. That's why the Clinton memory turned so fuzzy for months.

Why are White House memories of the law-breaking suddenly coming clear? Because the Thompson committee has listed Ms. Hancor on its list

## Tune in to the quiet fireworks.

of witnesses this week. White House Spin Control leaked the story on the eve of a holiday weekend, amid Mars landings and Paula Jones denunciations, hoping to detract from the newsworthiness of the televised hearings. Another unfamiliar name on the

witness list for the following week is Paul Buskirk, a trade official who deals with a classified computer network. That suggests to me that senators will be looking into John Huang's access to secret Government cables. Huang was Lippo's man at Commerce, later reassigned by Clinton himself to raise money from those he serviced.

Only Asia-connection buffs know of Huang's 37 sessions with his personal C.I.A. briefer, accompanied by calls from his Commerce phone to his former Indonesian bosses and an unexplained visit to the Chinese embassy. Fewer still know of Huang's use of the Washington office of Stevens Inc., the investment bank so close to the Clintons in the past, for calls and faxes to Canada and overseas.

But now a wider audience assembles. Will the hearings reveal Huang to

be an agent of influence, with the Clinton White House penetrated by a Chinese-Indonesian economic espionage operation? No; but perhaps its findings will force the appointment of an independent counsel still being resisted by Clinton Justice. The Senate's primary job is not to show "everybody did it," but to expose to public view the unprecedented pattern of corrupt fund-raising that sullied the highest office in the land.

I hope Huang is required to take the Fifth in person, along with all the others delaying or obstructing this investigation. I hope senators discover why our State Department is not trying to bring Yah Lin (Charlie) Trie — so available to Tom Brokaw and to other interviewers in Shanghai — home for questioning under oath.

Wang Jun, the Chinese arms dealer helping Iran obtain missiles to men-

ace our ships in the Persian Gulf, recently told an American friend that he gave \$50,000 to Charlie and thereby met Clinton in the White House. No wonder State and Justice don't want Trie questioned under oath.

One witness that Democrats will try desperately to protect is Bruce Lindsey, the newly unprivileged White House lawyer who bridges the fund-raising and Whitewater scandals.

He was present at Clinton's infamous Sept. 13, 1995, "reassignment" of Huang. And when asked by the Senate last year if he was aware of Clinton Administration efforts to steer work to Webster Hubbell, Lindsey swore "No." Let's see him slip out of those (Hubbell, steered \$100,000 from Lippo alone, now faces a threat of indictment for "hush money.")

The Fourth of July is behind us; let the quiet fireworks begin.

# Moscow, We Have a Problem

By Jim Lovell

MORSEHOLE BAY, TEX.  
any people are now wondering what is to be done about the Russian space station Mir, which collided last week with a supply ship. Is repairing the Mir a good idea? If a repair is successful, should other crews be sent to man it?

As a former astronaut who was aboard Apollo 13 when it exploded in 1970, I know that the accident put the

Jim Lovell was the commander of Apollo 13.

crew in an extremely dangerous situation. Spektr, one of the station's pressurized research modules, was ruptured, knocking out almost half of the station's electrical power.

Whether this was pilot error, an overloaded supply ship or failure of the manual docking system has not been determined. But this type of accident can happen whenever two vehicles are docking; the international space station, which is in the works, could face the same problem.

Fortunately, the Mir crew rapidly analyzed the problems and closed the hatch to the Spektr module before the entire space station decompressed. Thanks to that quick work, the crew is in a safe and stable situation, and is preparing to repair the Mir. I believe this is the correct

decision for two reasons.

First, unlike the astronauts on Apollo 13, the Mir crew has a real reentry vehicle it can use for a quick return to Earth should the situation become too dangerous.

Second, trying to repair a puncture in Spektr's hull will give us invaluable information on how to handle a similar problem on the international space station. Even if the repair is not successful, the exercise will point out the problems involved.

Having said that, the basic question remains. Should the repaired Mir be occupied by future crews?

The Mir was designed to last five years. It has been in operation for 11 years. Its technology is old, and upgrading has been sporadic. There have been problems in the past, in-

cluding a dangerous oxygen fire four months ago and, just recently, a broken oxygen generator.

The United States has used the Mir for two reasons. One, the National

## Trouble on the Mir may spell trouble for NASA.

Aeronautics and Space Administration wanted to test the docking procedure between the space shuttle's orbiter and a space station. This has

been successfully demonstrated several times.

Second, NASA wanted to get data on long-term human space flight. Some cosmonauts have stayed on the Mir for more than a year. Although NASA has some doubts about some of the data on human endurance collected by the Russians, it has had people on board the Mir for more than six months. I doubt that astronauts on the international space station will have to spend more than six months in orbit unless they are training for a Mars mission.

There is another thing to consider. Should a catastrophic event occur on the space station, all the naysayers who do not believe in America's space efforts in the first place will point to the Mir's past problems and

say, "I told you so." An accident could result in a major political setback to the international space station, which is due to be completed in June 1998.

As it is, because of money problems, the Russians have fallen behind on the construction on their part of that project. So wouldn't it be better if NASA put all the money it is now using to support the Mir toward completing the international space station on time and getting it operational?

NASA and the Russian Space Agency will have to make these decisions quite soon. As an old, retired astronaut, I know the benefits our space efforts have provided to the world in the past, and I hope they will continue into the future.



# Towns Less Traveled By

By Judy Troy

AUBURN, Ala.  
You don't see them unless you get off the interstate and travel on two-lane highways and county roads. I drive through them because I write novels and stories about them; I write novels and stories about them because I like driving through them.

My own town is in southeast Alabama — a college town. I came here from my native Midwest five years ago, on a hot, drizzly September night, and driving down through Jas-

Judy Troy, writer in residence at Auburn University, is author of "West of Venus," a novel.

per I listened to the radio: "Finding Jesus Through Ventriloquism." "I didn't have a voice until I found the Lord," said a puppet named Bunchy.

Each town has its own regional, cultural and inexplicable particularities, often taken for granted by its residents. Last spring, for example, when our family convened in the small Arizona town where my brother and sister-in-law live, my brother calmly told us, "I've made you reservations at Wrangler's Roost."

It was, we discovered, a drug rehabilitation center turned dude ranch, where a weathered sign in front of the swimming pool read, "Please Do Not Walk on the Water," and the Kiwanis Club met in our "suite": a rectangular room with an infant's playpen, a conference table and a couch large enough for Paul Bunyan, with a matching armchair so big that my mother and her tall boyfriend sat in it

together. The armrests were level with my mother's head. "Have you noticed that the furniture here is a bit large?" my sister

## Quirky. Comforting. Community.

asked the cook, who in a matter of hours had become a close personal friend.

"You should see my boss's horse," he said.

A catfish dinner for the nine of us was \$69. We were the only people in the dining room with teeth, without

boots, and with more or less parallel calves.

More recently, my husband and I attended a family reunion in his East Texas hometown, in which he had acquired a legendary reputation for things like urinating off the Ferris wheel at the county fair and persuading a substitute teacher to throw himself down the fire escape chute.

The building that used to be his father's grocery store is now a law office; half of the buildings around the square are empty, and the old jail is gone, too, along with the room above it where now-deceased Uncle Ronnie used to blacken his face and participate in "Lions Loonies," an Amos and Andy imitation put on once a year. Black prisoners housed in the jail below would take off their shoes and pound them against the ceiling in protest.

My husband's old high school bud-

dies came around with cherry moonshine and cigars. Formerly impoverished "Ole Dick," as his hat read, showed up a hundred pounds overweight and rich. Aging cousin Nelson announced that he was sure to pass the bar exam on his sixth try, and all weekend, Aunt Winifred, a recovered alcoholic, was on the phone with her sad A.A. counselees, including one woman who had either intentionally or unintentionally set herself on fire.

Before long my husband and I will drive up to the Indiana town where my mother lives, as well as my sister and her family: 700 inhabitants, most of whom have well water the color and texture of Pennzoil. Perhaps it's responsible for the town's unusual crimes, among them, my sister reports, the home-im-

provement vandals who broke into and carpeted her screened-in porch, and a pedestrian hit in the head by a high-heeled shoe.

We know, though, that it's easy to make fun of our small towns, and that living in them has a more serious side. You get to know people well, and you get to know people who know the people you know, and in the end you find yourself caring more deeply about more people than you wished you did — like the 5-year-old child who, nightly riding down the street on her father's shoulders, loved our bright yellow front door. She died in a car accident a week ago. At her memorial service, where there was not even standing room, the priest stepped down and stood with the grieving parents.

"Turn around," he told them. "Look at your community." And that was us.

# Tax Spending, Not Savings

By Bruce Bartlett

GREAT FALLS, Va.  
One can hardly pick up a personal finance publication these days without reading another story about how baby boomers are not saving enough for retirement. Yet our Federal tax code encourages consumption rather than saving.

Bill Archer of Texas, the chairman of the House Ways and Means

Bruce Bartlett, a senior fellow with the National Center for Policy Analysis, was a Deputy Assistant Treasury Secretary in the Reagan and Bush Administrations.

Committee, has long advocated a national consumption tax, and has long been ignored. Now a growing number of economists and legislators are showing interest in the idea. Once the current tax legislation is out of the way, Mr. Archer says, his No. 1 goal will be to push such a plan. To a large extent, the tax code's bias against saving is deliberate. When the existing code began to take shape in the 1940's, the memory of the Great Depression was still fresh. Keynesian theories, which view spending as the driving force in the economy and saving as a drag on growth, were triumphant. Federal officials rejected a national consumption tax for fear that it would stifle spending.

As a result, the United States has long had one of the most pro-con-

sumption, anti-saving tax codes among the big industrialized countries. Our tax code looks kindly on debt, but we discourage people from putting money away by taxing returns on savings and investment. According to the Organization for Economic Cooperation and Development, only Canada has a higher average tax rate on capital — savings and investment — than the United States.

Not surprisingly, the United States and Canada also have the lowest rates of saving among industrialized countries. In 1996, Americans saved just 5 percent of their after-tax income; Canadians saved 4.6 percent. By contrast, Italians saved 13.4 percent of their income, the French 12.8 percent, the Japanese 11.9 percent, and the Germans

## No wonder baby boomers have put away so little.

and British 11.6 percent. In the long run, countries that save more tend to have higher standards of living. More domestic saving is associated with higher rates of investment, which in turn is associated with higher rates of productivity.

Growing concern that Americans are not saving enough has led to new interest in consumption taxes. There

are only two things people can do with income: save it or spend it. The idea behind a consumption tax is to tax what people spend, rather than what they save. This can be done directly, through some form of a tax on goods and services, or indirectly, by not taxing investment income.

Countries can directly tax consumption in two ways. One, widely used in Europe, is to impose what is known as a value-added tax on goods and services — a tax levied on producers that is incorporated into the price they charge consumers. The other way, which Mr. Archer favors, is a national sales tax, much like the sales taxes most states have.

Indirect approaches to taxing consumption can also take different forms. Bipartisan legislation was introduced in the last Congress that

took this approach. Under that plan, taxpayers would have received a deduction for all savings. And a flat tax proposal supported by the House majority leader, Dick Arney of Texas, would eliminate taxes on savings and investment returns.

All of these approaches have their advantages and disadvantages, and once lawmakers get serious about the goal of taxing consumption rather than saving, they will have to consider such issues as the simplicity and fairness of a new tax system.

The time is right for a consumption tax. Rather than merely bemoan the difficulty Americans seem to have in saving for the future, why not make it easier for them to do so?

Frank Rich is on leave. His column will resume in November.



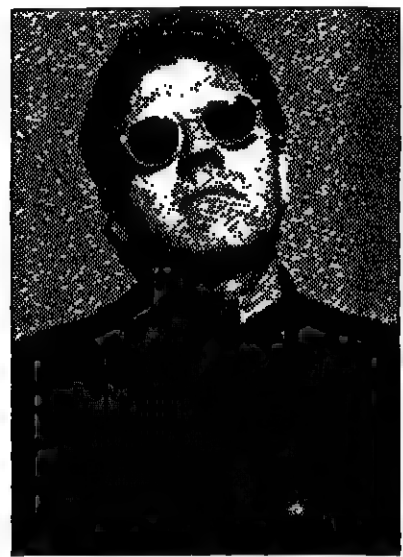
THE ARTS

# Using a Big Budget to Ask Some Big Questions

By BERNARD WEINRAUB

LOS ANGELES  
**R**OBERT ZEMECKIS IS scared. Not scared simply because his new film, "Contact," is appearing in the most crowded summer season in movie history. He's especially scared because it's a \$90 million studio film that was made for—pardon the expression—grown-ups, a film that confronts the tensions between science and religion, intellect and faith.

There's not a dinosaur in sight. "There are no villains in black hats, no car crashes and explosions, no gunfire," Mr. Zemeckis said the other day, seated in a studio recording room where he was overseeing final touches on the soundtrack. "It's got some big special effects but..."



Nathaniel Welch for The New York Times  
Director Robert Zemeckis

He sighed as his words trailed off. "The pressure is on me because I feel responsible for the possibility that if this film doesn't work, it'll be harder for the next guy to make a film about something."

Mr. Zemeckis's films have always been about something. His most notable successes, "Romancing the Stone," "Back to the Future," "Who Framed Roger Rabbit" and "Forrest Gump," are stamped by an unusual blend of comedy, special effects and fantasy, but all have an underlying seriousness as well. And even his mishaps, like "Death Becomes Her," a surprisingly sour comedy, have displayed a sense of invention rare in mainstream Hollywood movies.

If any director could be expected to make a hit fantasy-drama that revolves around difficult ideas—at

the same time saving a project that had been on the drawing boards for almost 20 years—it's Mr. Zemeckis. Still, he and his producers are anxious.

"This film does not underestimate the American public," said Lynda Obst, one of the film's executive producers, with a laugh and some understatement. "If we're right, it's fantastic. And if we're not, well, it'll make moviegoing just a bit more dreary."

"Contact," which was made for Warner Brothers and opens Friday, is based on the 1985 novel by the astronomer and science popularizer Carl Sagan, who was one of the film's producers before he died last year. Adapted by James V. Hart and Michael Goldenberg, the movie centers on the astronomer Ellie Arroway (played by Jodie Foster), whose life has been dedicated to proving the existence of intelligent extraterrestrial life.

One morning, amid the huge listening dishes at a radio-telescope center on the New Mexico desert, Arroway has her belief vindicated when she receives a message from a distant star.

In the international frenzy that follows, Arroway fights the whims of bureaucracy to maintain control of her communication with the alien civilization. But beyond this, she seeks to square her commitment to science, which has been all-consuming, with her dawning awareness of theological concerns. Also in the cast are Matthew McConaughey, Tom Skerritt, James Woods, John Hurt and Angela Bassett.

**"H**OPEFULLY, THE movie provokes us to ask the questions that Carl asked all his life about our place in the universe," said Ms. Obst. "Is there intelligent design to the universe? Are we alone? If we are alone, what does that mean, and if we're not, what does it mean?"

Such questions are generally not the sort raised by Hollywood movies these days, and underlying that fact is a large practical question: can a lavish film be about intellectual issues but also have enough drama to lure big audiences?

That "Contact" is around at all is itself an unlikely occurrence. Ms. Obst has been working on it since 1979 when, as a junior executive working for the producer Peter Guber, she began developing the story with Mr. Sagan and his wife and collaborator, Ann Druyan. Mr. Sagan eventually sold a version of the story as a novel, and it went on to be a best seller.

That success renewed interest in Hollywood, but in the decade that followed, the project languished in

what Ms. Obst called development hell; various screenplays were written and scrapped, at various studios. By all accounts "Contact" would never have become a movie save for the intercession of Mr. Zemeckis. "Bob rescued it," Ms. Obst said flatly.

Mr. Zemeckis was offered the film in 1994 while he was editing "Forrest Gump," but the plot, with its ambiguous ending, left him uneasy. "In the executive suites of Hollywood there was this struggle that everyone was having with this movie—which is that it defies convention, it's a pedestal picture," said Mr. Zemeckis, a 46-year-old bear of a man who is alternately friendly and intense. "The whole movie builds on a pedestal, and we don't put anything on top. We don't have a huge payoff. We don't send audiences running and screaming to the parking lot."

He acknowledges that he eventually agreed to make the film because the success of "Forrest Gump," which won six Oscars, including awards for best picture and best director, gave him the kind of clout that few movie makers have.

Ms. Foster, a two-time Oscar winner, had for years been the choice to play the astronomer. "I can't imagine another actress who can bring both the emotion and intellect to the character," the director said.

What Mr. Zemeckis, Ms. Foster and Mr. Goldenberg, who wrote the final screenplay, found fascinating about "Contact" was that for all its scientific know-how and technical dazzle, it was actually an intensely personal story.

"The idea of someone searching for some kind of purity, searching for something out there that she can't find here, was something that was very, very close to myself," said Ms. Foster. "I process everything through my head first. I cope with the disappointments in my life and the pains of my life by using my intellect. That doesn't make me less vulnerable, but I do a good job of hiding it. And that's what this woman is about."

The story also had personal meaning for Mr. Zemeckis. "It's not about aliens; it's about us," he said. "It's about what happens when the very foundation of what we believe about our system is shaken. You look at pictures of the NASA missions in Life magazine. The most compelling photos are those of the earth. The reason to go to the moon is what? To look back at the earth."

**E**SPECIALLY IMPORTANT for Mr. Zemeckis is the film's central religious motif: extraterrestrial life as a metaphor for some higher power.



Jodie Foster plays astronomer Ellie Arroway in "Contact."

"I was raised a Catholic on the South Side of Chicago, and I felt I had to undo a lot of serious damage," he said. "But as I was getting older I began coming off my absolutely young, arrogant agnostic beliefs. I was thinking more about coming to terms with human spirituality but without the judgments and indoctrination that came from being in the church. I've tried to come to peace with it, and it's no longer a demon in my life."

Mr. Zemeckis, the son of a construction worker, is primarily known for helping revolutionize the use of special effects in movies, but he thinks a lot about the human element in films as well. In high school, he saw Arthur Penn's 1967 classic, "Bonnie and Clyde," and it altered his life, he said.

"All these characters started to die in these horrific, real ways," he recalled, "and there was a scene when Gene Hackman was shot in the head and was rolling around, and at that moment, for the first time, I realized what tremendous power film had. I remember saying: 'This director is doing something to me. How did he do that to me?'"

After spending two years at North-

ern Illinois University in DeKalb, Mr. Zemeckis was accepted at the University of Southern California's prestigious film school. There, he teamed with a friend, Bob Gale, to write screenplays. The two were encouraged by the director John Milus, who taught at Southern Cal, as well as by Steven Spielberg. But their early efforts, including the screenplay for "1941," which Mr. Spielberg directed, were relatively unsuccessful. Another film, "Used Cars," a 1980 comedy starring Kurt Russell, has emerged as a cult classic, but it failed at the box office.

Michael Douglas, a fan of "Used Cars," urged 20th Century Fox to hire Mr. Zemeckis to direct "Romancing the Stone," and the success of that film led Mr. Zemeckis to team with Mr. Gale again and direct "Back to the Future," the top box-office hit of 1985. Since then Mr. Zemeckis's career has, for the most part, been a golden one. "Who Framed Roger Rabbit," for example, was the top-grossing film of 1988.

His 1992 film, "Death Becomes Her," starred Meryl Streep and Goldie Hawn, but was a disappointment. And he blames himself for that. "It should have been a smaller,

nastier little movie," he said of the farce about the quest to stay young. "I imposed a lot of giant sets and style and this huge cast on what should have been a scrappy little story."

Then came "Forrest Gump," starring Tom Hanks, about one old man's journey through our times. Mr. Zemeckis is still dumbfounded by the extent of that film's success, which, in addition to giving him great creative clout, made him very rich.

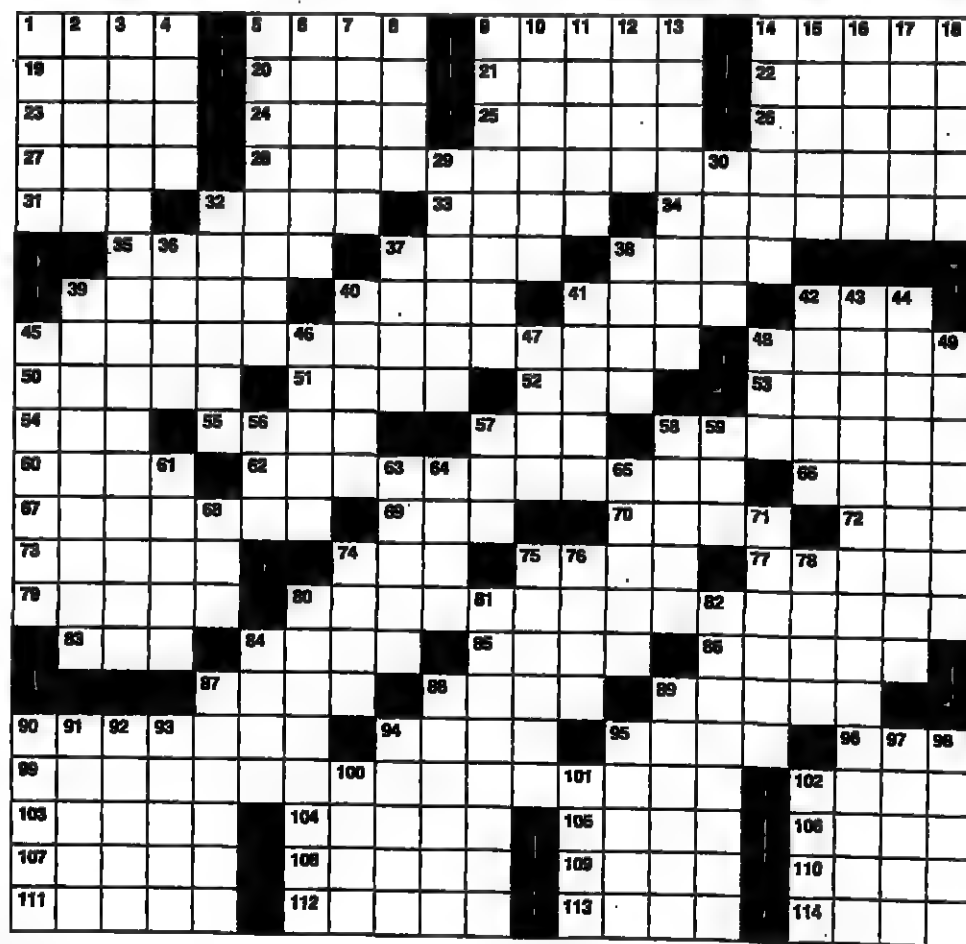
"It's never going to be the same after that," he said. "I know what the warts are in that movie. But, I mean, you have a movie that is so successful, a movie that people revere so much, and it's kind of frightening. I will never in my lifetime make a movie as successful as 'Forrest Gump.' And I have to be at peace with that. Otherwise it'll paralyze me."

Mr. Zemeckis is not sure what he'll tackle after "Contact." For the time being, he is nervously awaiting the release of a film that both he and Ms. Foster call the most personal of their careers. And he's somewhat optimistic: "You know," Mr. Zemeckis said, breaking into a smile, "Forrest Gump" was a summer film, too. □

## PHRACTURED FONETICS

BY ROBERT H. WOLFE / EDITED BY WILL SHORTZ

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  - 5 Small club, say
  - 9 Underlying
  - 14 Essential parts
  - 18 Butcher's cut
  - 20 Luxembourg town where George Patton is buried
  - 21 Daughter of William the Conqueror
  - 22 On — (reveling)
  - 23 First name in mystery
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  - 27 Seat setting
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  - 31 Unexplained skill
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- 14 Turkish pooh-bahs
- 15 W.W. II Axis members: Abbr.
- 16 Prizes for Tommy Tune
- 17 See 57-Across
- 18 Outlet
- 29 Accomplishments
- 30 A pusher may push it
- 32 Give more medicine — act
- 36 —
- 37 Annoyance
- 38 Recherche
- 39 Try
- 40 Basic Halloween costume
- 41 Breakfast offering
- 42 Divisions politiques
- 43 King called "le Bel"
- 44 Be rewarded at work
- 45 Ring around the end of a post
- 46 1996 biography "Citizen"
- 47 Spelling on TV
- 48 Med. nation
- 49 Hounds
- 56 Conditions
- 57 Any vessel
- 58 Coll. course
- 58 Ahas
- 61 Edge
- 63 Horace, for one
- 64 Sheepdog with fine matted hair
- 65 Wrong for the situation
- 66 Yacht's dir.
- 71 Catch stly
- 74 Reply from Boris Dins
- 76 This and that
- 78 "Step —"
- 80 Headdress, maybe
- 81 1974 hit by Chicago
- 82 Unaware
- 84 Bric-a —
- 87 — Reader's Encyclopedia (classic literary reference)
- 88 Their home is the Astro dome
- 89 Rock guitarist — Ray Vaughan
- 90 Shoot
- 91 "Voilà!"
- 92 "I Love a Parade" composer
- 93 "Touched by an Angel" co-star
- 94 Where to see "The Last Supper"
- 95 Lit
- 97 Decrease
- 98 Bishops' group
- 100 Beat it
- 101 Broiler
- 102 Guadalquivir and others

## ANSWER TO PREVIOUS PUZZLE

OFFHAND DEFICE SELES  
MEATING DENVO EXULT  
UNITSMAINGOAT DANLE  
RAGE EDDO TIC UNER  
SHA TIGERSYSESHOT EER  
TAMPA UNITED ACTER  
ALOU REP SAD TONJON  
ROUT FUD PSNICE GAGE  
KEN ROS GARLICE AGEN  
STEEN GOAL BEE ASKED  
OYTHREESOMNOLE  
RUMPS OER BREN BODYE  
OPAL BLACKKEYE ANT UVA  
ETNA REVERE USE INOR  
GOINTO EEA ARY GBLI  
CENTS FIESCO REEVE  
TRU AHANUNHOUSE RES  
HIRE ONE VITER ISAK  
ACILE CHAYERSKYATTIE  
NOSIR EATERY SEALANTO  
ERTES SPORT SLEDDER

# How to Waltz Away Cares

By ELISABETH BUMILLER

**T**HERE IS A MOMENT IN THE JAPANESE FILM "Shall We Dance?" that perfectly captures the reason it so touched a nerve last year in a nation that frets over its own mirthlessness. "At my age, it's embarrassing to say so," the tightly wound Japanese salaryman tells the beautiful teacher who has helped him find meaning through something as seemingly ridiculous as ballroom dance, "but every day I feel so alive."

"Shall We Dance?" caused a sensation last year in Japan. It is about dance but also about a rigid society filled with decent souls yearning to break free. Indeed, not since Juzo Itami's "Taxing Woman" and "Tampopo," satires about tax evasion and noodle eating, has a serious Japanese-made film performed so well at the box office. "Shall We Dance?" was one of the 10 most popular films in Japan in 1996, finishing just behind "Mission: Impossible." It was a critical success as well, winning 13 of 14 honors at the Japanese Academy Awards.

It has also attracted new fans, particularly the 18-hour-a-day office workers, or salarymen, to ballroom dancing and helped freshen up the image of a pastime traditionally associated in Japan with lecherous old men. Now newspapers report that social dance classes are full and that the Japanese are working hard at the quick step and the rumba.

"Enjoying yourself is something that the Japanese are not good at," says Masayuki Suo, the film's director, who has been on a 14-city American tour. "There is a sense that having fun is not virtuous."

Although Mr. Suo, 40, is an Itami disciple — he made a documentary about the making of "A Taxing Woman" — "Shall We Dance?" presents a comic but far gentler view of the Japanese than does Mr. Itami, whose face was slashed in 1992 by three Japanese gangsters, or yakuza, a week after the release of his farcical mob film, "Mimbo — or the Gentle Art of Japanese Extortion." Mr. Suo

is in contrast a cheerful humanist, whose film ends on a teary, hopeful note about interior lives struggling to break free.

"Shall We Dance?" opens with a voice-over narration by Shohji Sugiyama (Koji Yakusho), the Japanese worker bee, who tells us that in Japan, "the idea that a husband and wife should embrace and dance in front of each other is beyond embarrassing." Sugiyama-san is a middle-aged and somber office manager who has dutifully acquired the accoutrements of family and mortgage but feels a void in his life. One evening on the train going home, he notices a stunning woman staring from the second-floor window of a dance studio. He finds himself watching for her each night, captivated by her sadness. Finally the hesitant voyeur summons the courage to sign up for dance class, with the beautiful woman, Mai Kishikawa (Tamiyo Kusaka), one of Japan's best-known ballerinas) as his goal.

But it turns out that Sugiyama-san's real love is for dance, and the feelings it brings to his life. He is so transformed that at first his wife thinks he is having an affair. When she learns the truth through detectives, she's relieved, but still incredulous. "But why dancing?" she asks. Only later does she learn how threatening her husband's passion has really been to her. "Even if it was dancing," she says, "it was still an affair."

For anyone who has lived in Tokyo, the film hits just right on the social peculiarities of late-20th-century urban Japan: the pathological fear of embarrassment, the horrors of being different, the separate existences of husbands and wives, the intimations of the office. "Remember, it's a secret," a co-worker tells Sugiyama-san over drinks after they discover themselves in the same dance class. "Imagine the office gossip!"

"Shall We Dance?" culminates in a big ballroom dance contest that pulls the film's themes and most of the cast together — including the two detectives, who naturally have become addicted to the pastime. (One of the movie's most comic scenes has the detectives sitting happily in the audience, knowledgeably discussing aspects of the competition.) There is more slapstick — wig pulling and dress ripping — but there are also scenes that convey ballroom dancing's true grace and appeal.

For all its charm, "Shall We Dance?" may still feel foreign to an American audience. Miramax, which has been aggressively promoting the film as the next "Il Postino," is betting that there is universal appeal, although Harvey Weinstein, the co-chairman of Miramax, says that if he's wrong, "I lose millions and I'm stupid." There are a number of jokes only the Japanese will get, and it helps to come to the film aware of the social coercion necessary for harmony in Japan. Certainly the Japanese know the price they pay for a stable, conformist society, which "Shall We Dance?" underscores. □



Tamiyo Kusaka (left) and Koji Yakusho in "Shall We Dance?"

مكنا من النمل



# Hispanics trace Jewish roots

Many Hispanics in the American Southwest secretly practice Judaism. A Denver-based resource center is helping them discover and come to terms with their roots, Arlynn Nellhaus reports

In a typical Jewish stew of improbable combinations, an Iraqi-born, former-Israeli psychiatrist living in Denver, Colorado, is helping Hispanics research their Jewish heritage.

David Kazzaz's explanation of his role in establishing the Hispano Crypto-Jewish Resource Project is simple: "I'm concerned with the survival of the Jewish people. I'm interested in every aspect of that subject."

The project is housed in the University of Denver's Judaic Studies Department. It was established in 1995 to provide information and research opportunities for Hispanics of known or suspected Jewish heritage.

There, Seth Ward, University of Denver Judaic Studies professor, has already guided 150 people through the project's resources: some 60 volumes and a newspaper article collection offering information on genealogy, history and the Jewish religion.

During the Spanish Inquisition, thousands of Conversos - Jews forced to convert to Christianity - fled to the New World, as far from Spain as possible, where they continued to practice Judaism secretly. Recently, it became known that many Hispanics in America's Southwest still secretly practice

Judaism after 505 years.

Kazzaz's involvement started when his wife, Louise, also Baghdad-born, attended a talk on Crypto-Jews by Stanley Hordes, the New Mexico-based author on the subject. Louise became upset about the marginal status of Crypto-Jews, who often face hostile neighbors, on the one hand, and unwelcoming mainstream Jews, on the other.

At home, Louise woke her husband. "Why don't you do something about them?" she urged.

"I was half asleep," he recalls, "but by the next morning I had ideas of what I wanted to do."

Kazzaz, now retired, was already involved in Jewish education. He had started a program, Project Pride, co-sponsored by the Anti-Defamation League and the Denver Center for Jewish Education. And, as a psychiatrist and a Jew, questions of identity intrigued him.

Kazzaz consulted with Crypto-Jews who asked for a resource center. Establishing the program for Crypto-Jews and other Hispanics on a shoestring budget wasn't easy.

**"Some Hispanics want to be more involved with their Jewish heritage, but don't know how."**

THE CENTER opened in May, 1995, while Rabbi Marc Angel of New York's Congregation Shearith Israel, founded by

Spanish and Portuguese Jews, was in Denver to meet Crypto-Jews.

A few dozen were expected at Angel's public address, but it was standing-room only. An even larger crowd, two-thirds Hispanic, turned out for the center's first anniversary.

"I don't know if there's any other place where people can call up and say, 'I'm of Hispanic ancestry. I'm interested in finding more information about...,'" says Ward.

"I'll help anyone who walks through the door. My goal isn't to make converts, but to make information available. We assist [them in] their search. What they do with what they learn is up to them."

Those who express interest in learning more about Judaism are directed to classes.

"Some Hispanic Jews go through formal conversion," says Ward. "Some refuse, but call themselves Jews. Some are

extremely conflicted. I find myself doing spiritual counseling."

"But sometimes their spiritual needs go beyond my ability. They struggle with how they see the Jewish and Christian elements in their identity."

One mother and daughter came to Ward seeking information, but were upset when Ward told them that Messianic Judaism wasn't a solution. "You can't combine the two religions," he said.

For Kazzaz, helping Hispanic Jews discover their roots is deeply gratifying.

"Because I'm from Iraq, and we can trace our origins to the destruction of the First Temple, all Jewish people are my people," he explains. But he perceives a special kinship to Sephardim in style and temperament.

Placing his hand on his heart, he says, "My feeling is that I belong to that group. They were deprived of access to their own identity by force. Now that the world is different, they can reclaim their past."

"Being a psychiatrist, I value the importance of identity. People forcefully deprived of identity feel something missing in their lives. I want to assist them in reclaiming as much as they wish."

## Home Front

### Import duty

By Allison Kaplan Sommer

For a while now, I've found myself placing my English-speaking friends here into two basic categories: Volunteers and Imports.

Volunteers are those who arrived of their own volition: singles seeking fun, adventure and meaning in their lives who decided to stay, and Zionist-oriented couples committed to building their family life in the Jewish State.

Imports are those who would not have come had it not been for their significant other who felt strongly about living here: they came to Israel for love. Either they met an Israeli traveling or living abroad - or they came to Israel on a short vacation, and became enraptured by that special someone they met on the beach, or while picking oranges as a kibbutz volunteer.

I've spent a lot of time mulling over the question of which group is crazier. Having been a member of both groups, I could be an expert witness on the issue.

I was a full-fledged Volunteer for a while. I liked life here fine, except that I was completely broke, missed my family, had what

But I don't deserve their pity. I had a strong attachment to this country, and a desire to live here before I met my husband - my moving here was not completely his doing.

Don't tell that to him though - it's great to have someone to blame for all my headaches. I get to come home from an endless wait at the bank or after being pushed in the line at the supermarket, or after watching the latest government antics on television, and I can turn to my significant other and demand to know: "What in the world is wrong with your country?"

Not that he can supply a satisfactory explanation, but it is pretty darn cathartic, and it beats looking in the mirror and asking myself: "What in the world am I doing here?"

These little temper tantrums attest that at heart, I am a Volunteer. We Volunteers still harbor hopes that the country will live up to our dreams, and still get disappointed and frustrated when it doesn't meet our expectations.

Imports come to Israel with no illusions to be shattered, no ideals

**The natives definitely accept romantic love as a better explanation for living here than they do Jewish idealism.**

appeared to be rather dismal career options, and was irritated by the fact that at the age of 22, people were asking me why I wasn't married yet. So I headed back to America.

I met an Israeli in Washington, D.C., who made it clear on our second date that there was only one country in the world in which he would live. I was flattered that he didn't want to marry me to get a Green Card, so I agreed to keep dating him. Almost before I knew it, I was married and back in Tel Aviv.

Personally, I don't think that this decision was any less nuts than if I'd come here driven by Zionist ideals. But the natives definitely accept romantic love as a better explanation for living here than they do Jewish idealism. When a cab driver hears my American accent, he immediately asks me why I'm living here, with an intonation in his voice that makes it sound as if he's asking me if I am totally insane.

When I tell him it's because I married an Israeli, he changes his tone. "Oh," he nods sympathetically as if to say: "You poor dear. I understand. You had no choice."

to be trampled on. I've found those who came to be with their significant other to be particularly resilient, since they arrived with absolutely no expectations of being treated like a long-lost cousin. They are probably pleased to discover that the suave Middle Easterner they met in New York or Paris or Thailand has not taken them to live in a tent with only camels as transportation.

One of the best-adjusted Imports I've met is Ruth Gonzalez, formerly Israel's answer to Vanna White on *Wheel of Fortune*. These days she's a model, and singer and dancer featured in kiddie videos and her own stage show. Her Hebrew is flawless, her absorption complete - she just had a son with the former El Al flight steward she met while she was working in a clothing store in Manhattan. Ruth is of Puerto Rican extraction, grew up Catholic, and converted to Judaism after moving to Israel. She works hard and complains little.

Her attitude, like many of the Imports I meet, is, "I'm here, it's not perfect, but it's pretty good, so let's make the most of it."

There's a reason why Imports are valuable.

## From Spain to Denver

There were no crosses or Virgin Marys in the home of Efrin Martinez - a Colorado-born Hispanic Jew. Arlynn Nellhaus hears his story

Colorado-born Efrin Martinez is an exception among Hispanics. He always knew he was Jewish. His mother made sure of that.

"Never abandon your religion," she constantly told him.

Leaning back in a chair and resting his feet on a table in his office, the cheerful, 47-year-old Denver dentist related his story.

"The family went from Spain to Turkey," he said. "Then to Mexico City. There, the Inquisition caught up with them. An ancestor, Oscar de los Reyes, a pharmacist, died in an auto-da-fé (the burning of so-called heretics during the Inquisition)."

"It was then safer for the family to disperse."

During the Mexican Revolution, earlier this century, Jews were expelled as "foreigners." Until then, Martinez's maternal grandfather had been a successful merchant selling goods from Mexico to Colorado. He lost his livelihood.

Martinez's mother was born in a migrant workers' camp in Colorado.

"This displacement is our people's history throughout the ages," asserts Martinez, who wears a Magen David on a chain around his neck, and now serves as treasurer of the Denver-based Hispano Crypto-Jewish Resource Project.

He grew up in a rough, multi-

racial, Denver neighborhood. His father, a Catholic, wanted to enroll him in Catholic schools, but his mother adamantly refused.

"My friends thought we were strange," he says. "In our home, they wouldn't see crosses or Virgin Marys, and they'd notice that when Mother made green chili, it never had the usual pork in it."

"I really knew nothing about Judaism. So when my friends asked, I couldn't say anything. But, I felt a lot of antisemitism - taunts that we had horns and that we killed Jesus."

"When my high-school classmates invited me to Christmas Mass, I wanted to go, to be part of the group. But my mother refused. 'We're Jews,' she said. 'You can't go.'"

"Mother had a well-known import store, and everyone called her 'La Israelita'. But the community couldn't understand such a phenomenon as Jewish-Mexicans."

Martinez became actively Jewish after his mother died, nine years ago. The oldest of seven children, he was closest to her. Her loss threw him into depression. "I didn't know what to do, who to turn to," he recalled. "I wanted to turn to my God, but I didn't know how." He revealed to a Jewish dentist he felt close to that he, too, was

Jewish. "But I don't know anything about Judaism," Martinez told him, "and I want to learn."

With his colleague's guidance, Martinez entered a class at a Denver Reform congregation where he learned about the different paths in Judaism.

He chose an Orthodox synagogue. "I like the tradition," he explains. "I like the yarmulke, the talit."

By chance, the synagogue he chose was known as "the dentist's shul," so he was surrounded by friends from the start.



Dr. Efrin Martinez: 'My friends thought we were strange...Everyone called my mother 'La Israelita.' (Arlynn Nellhaus)

"These are my buddies," he says. "[At first] they looked at me with surprise. Then they congratulated me. I had never felt so comfortable before." He now belongs to a professional Jewish dental fraternity.

Hispanics often ask: "Do Jews really accept you?"

In fact, Martinez has had his share of unpleasant experiences from other Jews. "Once when I was introduced to a fellow dentist with the comment, 'Dr. Martinez is also Jewish,' the man looked at me and said: 'Are

we getting so hard up that we have to go to Mexico for Jews?'"

He is sanguine about these experiences. "Being Hispanic, I've found racism all my life, so this is nothing new. Yes, I'm accepted [as a Jew], but there are ignorant people everywhere. I don't pay attention."

"When I pursued my religion, an inner peace came over me. It's the best thing that has happened to me. It's tragic that in so many Hispanic families, the chain is broken."

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## EARTHLY CONCERNS

### A limnologist swims against the tide

By D'VORA BEN SHAUL

This is a story about fish; more specifically, about a tiny sardine called *lavanun* that lives in the Kinneret. In fishing circles it's simply considered a nuisance: it has no commercial value and cats food that could feed bigger and better fish.

Retired limnologist Ruth Landau of Haifa sees things differently. Instead of putting her feet up, she decided to put her sampling net, computer and vast knowledge of the Kinneret to good use.

Her abiding interest in *lavanun* prompted her to research its complicated ecosystem at her own expense. And she has come up with some interesting findings.

It had long been assumed that *lavanun* bred only among the shore rocks, but Landau found that there had been an explosion of the *lavanun* population between 1991 and 1992, when there were no coastal rock breeding places because the lake was too depleted to cover the rocks.

But more than that, she looked at the official estimates of zoo-

plankton in the lake and found that there was no way that the sardine population could subsist on the limited quantity available. So the *lavanun* weren't necessarily eating the zooplankton that was so vital in keeping the lake clean.

So what were they eating?

In *Agamit*, the official bulletin of the fishing fraternity, Landau writes that the zooplankton and *lavanun* are a semi-symbiotic unit and work together to keep the Kinneret clean.

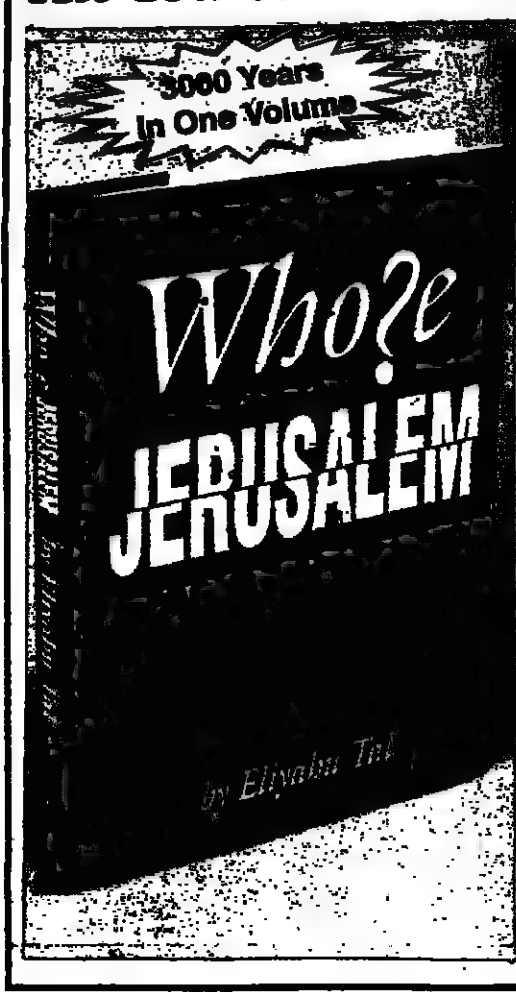
Her theory is not popular and additional research needs to be undertaken.

She could even capture a couple of thousand *lavanun* and analyze what they had eaten in the past 48 hours.

Currently, Landau's research only reinforces the latest "chaos" theory that states the more complex a system (and a living lake is a very complex system), the less likely that solutions arrived at by linear logic will work.

Of course, since the lake is still fairly clean and all seems to be more or less order, we might just as well accept the dictum of the rural American: "If it ain't broke, then don't try to fix it."

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A tiny sardine - dismissed as a nuisance by most fishermen - may be keeping the Kinneret clean. (R. Nowitz)



## BUSINESS

in brief

### EU bans Israeli fowl imports

The European Union has imposed a six-month ban on fowl imports from Israel following the discovery of the "Newcastle" disease in a private chicken coop in the Ashkelon area, according to a statement from the Agriculture Ministry. The likely loss to farmers is estimated at some NIS 25 million. Ministry director-general Danny Krichman and Chief Veterinarian Arnon Shimshoni will travel tomorrow to Brussels in an attempt to persuade the EU to reverse its decision. Newcastle disease is a highly contagious viral infection, causing a nervous respiratory disorder in poultry. *David Harris*

### Vehicle travel up 3% in '96

Israeli vehicles traveled 31.7 billion kilometers last year, a three percent increase from 1995, according to data published by the Central Bureau of Statistics. This increase comprises a 6% rise in vehicle numbers, but a 3% fall in kilometers per vehicle. The number of kilometers traveled has doubled over the last nine years, during which time the total length of roads has increased 17% and the number of vehicles rose 77%. *David Harris*

### Israel Bonds expected to raise \$940m. in '97

Some 150 members of Young Israel Bonds are scheduled to arrive here today from the US for an eight-day visit. It is estimated the bonds will raise some \$940 million this year, according to organization president Gideon Patti. *David Harris*

### JNF to build two reservoirs in South

The Jewish National Fund has announced it intends building two new reservoirs in the Arava and Negev at a cost of NIS 12 million. In the Arava the reservoir will be constructed at Moshav Ein Tamar and will supply 25 percent of the agricultural needs in the area. It will enter service in 1998. The second, smaller reservoir, holding 50,000 cubic meters, will be built at Kibbutz Neot Smadar. *David Harris*

### General Motors brass to visit this week

General Motors vice president Harold Kutner and John Stiles, director general of international purchases, will visit Israel this week to meet with representatives of local automotive companies to explore business possibilities. A meeting between several companies and the GM executives is scheduled for tomorrow in Upper Nazareth. Mivrag Ltd. of Kibbutz Ein Hashofet currently supplies GM with parts. *Jennifer Friedlin*

### High-tech research aid at NIS 630m. this year

The Industry and Trade Ministry's Chief Scientist's Office has awarded NIS 630 million to high-tech research and development initiatives in the first six months of 1997. *Jennifer Friedlin*

## EL Al, Airbus in talks over \$200m. plane deal

By HAIM SHAPIRO

A delegation of officials from Airbus is due to arrive here today to discuss El Al's interest in acquiring five planes in a deal that would cost upwards of \$200 million.

The talks are significant both because they signal a possible break in the airline's traditional link with Boeing as a supplier of aircraft and because it is part of El Al's new plan to concentrate on equipping itself with a fleet of smaller aircraft capable of making long-range flights.

With the smaller aircraft, the company would be able to make direct

flights to long-range destinations without the need to pick up or drop off additional passengers on the way. It could also increase the number of flights to each destination.

El Al spokesman Nachman Kleiman said the firm intends to buy five aircraft, each capable of carrying between 125-150 passengers.

Airbus is offering its A319 and A320 models to replace El Al's Boeing 737-200 and 757-200 aircraft. Kleiman said it was impossible at this point to determine exactly how much such an acquisition would cost, but he said it would be "well over \$200m."

El Al has had an all-Boeing fleet since 1961. In 1979, the airline thought about purchasing an Airbus aircraft but reconsidered after considerable political pressure from the US government.

Kleiman, who noted that the company has not yet decided if it will buy or lease the new planes, said both companies' products were still being considered.

According to company director-general Yoel Feldschuh, a connection with a firm other than Boeing would only be economically feasible if El Al bought several aircraft from the other supplier so that it could

maintain a supply of spare parts. Both Feldschuh and board chairman Yosef Ciechanover met with senior officials of Airbus, as well as Boeing, at the Paris Air Show two weeks ago and discussed the possibility of acquiring aircraft.

Heading the El Al team of negotiators is Arye Schwartz, who is in charge of the company's strategic and economic planning.

The new aircraft are only a part of the company's new strategic planning policy, which also includes reconsidering various routes. So far, El Al has decided to stop its flights to New Delhi.

## Cabinet talks on market reform not yet scheduled

By DAVID HARRIS

While there will be a further attempt to approve the proposals of the Brodet Report on reforming the capital markets, the cabinet discussion has still not been scheduled, according to Prime Minister Benjamin Netanyahu's economics adviser Moshe Leon.

However, when the debate does take place, it will not include the report's controversial recommendation to tax interest earned on short- and mid-term savings.

The cabinet effectively rejected the original report in mid-October when it asked then Treasury director-general and committee chairman David Brodet to reexamine the specific proposals to tax interest on short- and mid-term savings.

In order to do this a second committee - comprising Brodet, Leon and Bank of Israel monetary department head David Klein - was established.

This group failed to make any headway, with Leon and Klein supporting Netanyahu's opposition to the key short- and mid-term savings proposals.

Since then the Treasury has repeatedly pushed for the cabinet to discuss the report again, but so far to no avail, despite Netanyahu's promise to allow a further ministerial discussion.

Despite ministerial objections, MKs across the board have expressed their support for the implementation of all the recommendations.

The list includes former finance minister Dan Meridor, former deputy finance minister David Magen (Geshet), leader of the opposition group on the Knesset Finance Committee Avraham Shohat (Labor), Avi Yezekel (Labor), Avraham Poraz (Shinui), Michael Kleiner (Geshet), Meir Shestrit (Likud) and Michael Nudelman (Yisrael B'Aliya).

According to Brodet, the committee's recommendations had to be passed without any changes.

The need to encourage long-term savings is paramount, said Brodet, as major infrastructure projects are funded by them.

Among the original committee's recommendations were:

- Taxing short- and mid-term savings accounts by five percent to 10%.
- Savings plans for periods longer than 10 years would be fully tax exempt, while a 10% tax would be imposed on advanced training funds for periods shorter than 10 years.
- Retirement plans - including pension funds, life insurance, and provident funds - would enjoy higher tax breaks than at present.
- In the capital markets, the report recommends reducing taxes on negotiable bonds, dividends, and gains on foreign securities, as well as the establishment of a second mortgage market based on the American model.



### EU investigates illegal export of British beef

Dirk De Soete, manager of meat export company Tragex-Gel, poses next to carcasses in Wingene, Belgium. European Commission veterinary experts searched his company as part of investigations concerning illegal exports of British beef. The EC said that 1,600 tonnes of British beef had illegally been exported. *(Reuters)*

## Chief scientist: Legal system gave in to US pressure on patent laws

By JENNIFER FRIEDLIN

The Israeli legal system bowed to US pressure when it devised certain patent and encryption laws, which are now harming Israeli exports, Industry and Trade Ministry Chief Scientist Oma Berry said yesterday.

Due to restrictive patent laws, which prohibit generic drug manufacturers from conducting research on original products before the

patent protection expires, local companies are losing their competitive advantage to US companies that do not face such restrictions.

Earlier this month, Teva Pharmaceutical Industries Ltd., one of Israel's largest and most prestigious companies, said it is considering moving part of its research and development operations overseas in order to bypass the law.

The encryption laws also hinder

Israeli exports, because it insists that products with special coding must be sold directly to the end-user rather than off the shelf. While the law is meant to safeguard defense-related products, consumer products - such as Internet software - are also affected.

One hundred and fifty companies employ encryption technology.

"The Israeli legal system has not done a good job in considering the

impact of these laws, and they have bent in front of pressure from the Americans," Berry said.

Both Berry and Industry and Trade Minister Natan Sharansky have appealed to the Justice Ministry to revise the law.

Berry said she hopes they will conclude the procedure by the end of the year. Teva has been trying to change the patent law since 1994, when it was passed.

## Lauder's RSL buys 51% stake in Delta Three

By JENNIFER FRIEDLIN

RSL Communications Ltd., headed by cosmetics heir Ronald Lauder, paid \$5 million to acquire a 51-percent stake in Delta Three, a provider of Internet-based long distance telephone services. RSL CEO Itzhak Fisher announced yesterday.

The agreement, including the facilities and services RSL will provide to Delta Three, totals \$10m.

"Buying a share in Delta Three will help us leap into the future by allowing us to build systems using voice over the Internet," Fisher said.

In a previous deal, RSL purchased the right to employ Delta Three's technology for its US-Colombia line.

By dialing a local number in the US, then entering a personal identification number and the destination number in Colombia, RSL routes calls between a Delta Three server in the US and one in Colombia.

There the call is sent over regular phone lines to the final destination.

Instead of paying for a long-distance call, the user pays for the local connections.

Although Internet telephone connections are not as clear as digital ones, the lower quality is offset by the cheaper price, Fisher said.

Calls that are routed over the Internet can cost up to 50% less than digital ones.

Based in Hamilton, Bermuda, RSL capitalizes on providing telecommunication services in countries which are deregulating their telecom industries.

The deal with Delta Three is RSL's first direct investment in an Israeli company.

RSL hoped to bid for the tender to become an Israeli long distance carrier, but the company was too small to meet the ten-

der's criteria. Fisher said that RSL, which was established in 1994, is currently working on several deals with Israeli companies, including the purchase of a software package from an undisclosed supplier.

RSL is also planning to bid to provide telecommunications services in Israel when the market opens to increased competition in 2002, Fisher said.

RSL intends to invest "as much as needed" in Delta Three, said Fisher.

He added that the company has the resources due to a bond offering last year that raised \$300m.

RSL, which operates 13 companies in 13 countries, expects to earn \$300m. in revenues in 1997, Fisher said.

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ISRAEL DISCOUNT BANK

## ISRAEL MONEY MARKETS

**Patiah (foreign currency deposit rates) (11.9.96)**

Currency (deposit for)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$250,000)	4.750	5.000	5.375
Pound sterling (£100,000)	3.875	4.000	4.500
German mark (DM 200,000)	1.825	1.825	2.125
Swiss franc (SF 200,000)	0.825	0.750	1.000

*(Rates vary higher or lower than indicated according to deposit)*

## Shekel Foreign Exchange Rates\* (4.7.97)

CURRENCY BASKET	CHECKS AND TRANSFERS		BANKNOTES		Reg. Rates
	Buy	Sell	Buy	Sell	
U.S. dollar	3.8250	3.8908	3.825	3.891	3.8591
German mark	3.5256	3.5825	3.46	3.64	3.5530
Pound sterling	2.0151	2.0477	1.98	2.08	2.0310
French franc	5.9488	6.0429	5.84	6.18	5.9837
Japanese yen (100)	0.5982	0.6078	0.58	0.62	0.6027
Dutch florin	3.1141	3.1844	3.08	3.21	3.1399
Swiss franc	1.7807	1.8198	1.75	1.85	1.8047
Spanish peseta (100)	2.4070	2.4489	2.38	2.48	2.4289
Swedish krona	0.4578	0.4682	0.44	0.48	0.4618
Norwegian krona	0.4838	0.4917	0.47	0.50	0.4877
Danish krona	0.5222	0.5378	0.52	0.55	0.5334
Finland mark	0.6772	0.6872	0.66	0.70	0.6826
Canadian dollar	2.5552	2.6786	2.52	2.68	2.5832
Australian dollar	2.6388	2.8874	2.59	2.72	2.8122
S. African rand	0.7787	0.7913	0.70	0.80	0.7848
Belgian franc (10)	0.9783	0.9921	0.95	1.01	0.9840
Austrian schilling (10)	2.8642	2.9104	2.81	2.98	2.8882
Italian Lira (1000)	2.0703	2.1037	2.03	2.14	2.082
Japanese yen (100)	4.8728	5.0529	4.81	5.24	5.0690
Egyptian pound	1.0000	1.0000	1.00	1.00	1.1108
Irish punt	3.9650	4.0290	3.92	4.08	3.9899
Spanish peseta (100)	5.8875	6.4744	5.29	5.58	6.4404
	2.3873	2.4259	2.34	2.46	2.4084

\*These rates vary according to bank. \*\*Bank of Israel.

## PRIME TARGET 0200 Mutual Fund for Foreign Residents

Date: 3.7.97  
Purchase Price: 173.14  
Redemption Price: 170.59

leumi pia 0200

## PRIME 0200 Mutual Fund for Foreign Residents

Date: 3.7.97  
Purchase Price: 117.57  
Redemption Price: 116.03

leumi pia 0200

הכזמן הנכון



# Lockheed Martin to buy Northrop Grumman

\$11.6b. deal will create firm with \$37b. in annual revenues

By GERARD MEUCHNER

BETHESDA, Maryland (Bloomberg) - Lockheed Martin Corp. said last week it will buy Northrop Grumman Corp. for \$11.6 billion in stock and assumed debt, strengthening its position as the world's second-largest aerospace company.

Lockheed will pay stock valued at \$124 a share, or 40 percent more than Northrop's last closing price of \$87 7/8. Bethesda, Maryland-based Lockheed will issue about \$8.3b. in stock and take on \$3.3b. in debt in what analysts said should be the last of the big US defense mergers.

The combined company will have about \$37b. in annual revenue, and with Boeing Co. dominate the global aerospace industry.

The transaction is certain to

draw intense scrutiny from antitrust regulators, even as shrinking defense budgets drive weapons makers into each others' arms in an effort to win more business.

"This virtually completes the shakeout in the US weapons industry, leaving just two colossal players," said Byron Callan, a Merrill Lynch analyst in New York.

The Lockheed-Northrop transaction marks the end of the merger wave that swept the US defense industry in the 1990s. It leaves Lockheed trailing only Boeing, which will have annual revenue of \$48b. when it completes its planned \$15b. acquisition of McDonnell Douglas Corp.

Raytheon Co., a big defense electronics company, expects this year to complete \$12.5b. in acquisitions that would make

give it \$21b. in annual revenue. Raytheon is buying the defense units of Texas Instruments Inc. and General Motors Corp.'s Hughes division.

"There is no one left," said Keith Patriquin, an analyst at Boston-based Loomis, Sayles & Co., which owns 2.1 million Northrop shares and 400,000 Lockheed shares. "There's nothing else that literally can match it."

Lockheed and Northrop are the successor companies from the combinations of Lockheed and Martin Marietta last year and Northrop's purchase of Grumman in 1994.

For Northrop, the purchase represents a deliverance of sorts after failing to win this year the TI or Hughes properties, both of which were snapped up by Raytheon. Instead of being a distant fourth, "they've obviously

trumped Raytheon" in an industry where size matters, said Paul Nisbet, of Newport, Rhode Island-based JSA Research.

"Anyone who was concerned about Northrop's breadth of technology or size doesn't have that worry anymore," said Loomis Sayles' Patriquin.

Regulators will be sure to give the transaction a hard look. The Justice Department yesterday gave Raytheon approval to buy the TI business for \$2.95b. on the condition that it sell a TI unit that produces a key component for radar systems.

"It would only stand to reason that Lockheed and Northrop are going to have a hard time" with regulators, Nisbet said.

The transaction is expected to close by year's end, subject to various regulatory clearances and approval by both companies' shareholders.

## TASE ROUNUP

# Shares up; shekel seen as stable

Mishtanim	298.63 ▲ 1.18%
Maof	304.86 ▲ 1.10%

By FELICE MARANZ

Stock indexes jumped yesterday as the shekel was seen stabilizing against the dollar.

The Maof Index of 25 issues rose 1.10 percent to 304.86 and the Mishtanim Index of 100 issues rose 1.18 percent to 298.63. The general bond index rose 0.13%.

Shares leading gains included Israel Corp., which rose 6.75%, and Teva Pharmaceutical Industries, which increased 2% after its American depository receipts rose.

Teva was listed among Israel's top companies by *Business Week* magazine.

"People are looking for value - and Israel Corp. is one of the few stocks that hasn't risen as much as the rest of the market," said Ira Stomowitz, in sales and trading, at Tel Aviv firm Israel Brokerage and Investments.

Stocks rose across the board as "there's a real expectation the shekel will stabilize around 3.5," Stomowitz said.

The shekel weakened on Friday, closing at 3.553 compared with 3.517 on Thursday.

A weaker shekel boosts exporters' profits, as they pay expenses in shekels and earn in dollars. At the same time, a weaker local currency can also spark inflation, buoying the prices of imported goods and housing, which is linked to the

dollar in Israel. "The market is optimistic - if the dollar stabilizes, at a rate above 3.5 but below 3.6, it will be reasonable and stocks will be priced attractively," said Michael Politzer, managing director of Tel Aviv firm Central Underwriters, which is a subsidiary of investment firm Central Securities. "And it won't hurt inflation."

Of 976 shares trading across the exchange yesterday, almost three times as many shares rose as fell. NIS 151.6 million worth of shares changed hands, NIS 23.4m. below Thursday's level and about 30% below last month's daily average of NIS 214.5m.

Gaining exporters included chemical companies. Makhsheshim Chemical Works rose 4.5%; Israel Chemicals Ltd. rose 1.75%; Dead Sea Works went up 1.5% and Agan Chemical Works rose 3.75%.

Declining shares included Koor Industries Ltd., Israel's biggest publicly traded industrial company, which fell 0.25%.

Shamrock Holdings, which holds 20% of Koor, is unhappy with the company's management, according to news reports. Shamrock's president, Stanley Gold, has said he favors breaking up and selling Koor's businesses. (Bloomberg)

## COMMODITIES

# Gold falls to lowest level in 11 years

By MICHAEL ZWERNER

Precious metals prices closed broadly lower Thursday, as gold plummeted to an 11-year-low on news the Reserve Bank of Australia cut its gold reserves to 80 metric tons from 247 tons, reinvesting the funds in foreign currency.

There has been widespread speculation of gold sales by central banks, although traders thought Portugal - desperately seeking to meet requirements for European Monetary Union - would be the first to sell. On the news, August gold plunged \$7.10 to \$325.20 an ounce.

Silver fell on gold's weakness, with the September silver contract dropping 7.5 cents to \$4.57 an ounce. August high grade copper fell 7.5¢ at \$111.85 per lb.; September palladium closed \$1.50 lower at \$173 per troy oz. and October platinum ended \$2.00 down at \$404.70 per troy oz.

Trading was abbreviated on all markets, ahead of the US Independence Day holiday on Friday.

Oil prices eased on Thursday as Iraq took another step toward resuming crude exports under the terms of a UN humanitarian plan and traders began to focus on ample supplies of heating fuel.

Recent strength has come from uncertainty about the timing of the resumption of Iraqi exports - suspended since late May - and seasonal demand for gasoline.

With New York markets winding down for US Independence Day, which traditionally marks the peak of gasoline demand as millions of US motorists head for the beach or holiday homes, traders said crude prices would lose a key prop.

News that Iraq and the United Nations have completed their food distribution plan to cover the proceeds of the next six months of oil exports helped remove another crutch from world crude markets.

September light sweet crude oil closed down 74 cents to \$19.60 per bbl. September heating oil was down 2.11 cents at \$3.31 cents per gallon and September unleaded gas closed down 1.53 cents to \$7.02 cents per gallon.

Soybean futures finished higher on Thursday, rallying from its recent losses on pre-holiday weekend short covering. The July contract settled 11 cents higher at \$7.22. The August future settled 17 1/4 cents higher at \$6.87 1/2. Soybean futures finished sharply higher, catapulting upward near the close on reports of demand related buying interest in US and South American markets. The July contract ended 43 points higher at 22.06. CommStock Trading Ltd.

# Panel urges EU to reject McDonnell-Boeing merger

By ROBERT WIELAARD

BRUSSELS (AP) - The European Union's antitrust advisory committee unanimously recommended over the weekend that the merger of the Boeing Co. and McDonnell Douglas Corp. be blocked, sources said.

The panel said the mega-merger between the two aircraft manufacturers would strengthen Boeing's "existing dominant position and therefore should be prohibited."

EU Competition Commissioner Karel van Miert issued no immediate reaction to the news that his key advisory panel suggested that he block the venture.

Sources said the recommendation to disallow the merger does not signal the end of the European Commission's investigation into the impact that the merger will have in Western Europe.

However, the recommendation serves as a powerful signal of the concerns in EU capitals of the prospect of Boeing gaining an unfair edge in the global market for large civilian aircraft.

The committee said that proposals by Boeing to modify its planned merger to ease European concerns were not sufficient, said one EU source who asked not to be named.

The antitrust committee is made up of representatives from the 15 EU member countries.

"We are disappointed, of course. But we

are committed to continuing to work with the EC to reach a positive outcome," said Boeing spokeswoman Sherry Nebel in Seattle.

The company created by the merger - to be called the Boeing Co. and based in Seattle - would be a global colossus: 200,000 employees, annual sales of \$48 billion and a 65 percent grip on the global market for large, commercial jetliners, double that of its only rival, Airbus Industrie, a consortium of European partners.

Under EU law, the European Commission can block mergers - also of non-European companies - if it feels it would have an adverse effect on fair trade in the 15-nation EU.

If Boeing ignored EU regulators, it risks fines, seizure of aircraft and an uncertain business climate with European clients hesitant to do business with a company that ignores the trade concerns of the EU head office.

EU officials are confident this is not what Boeing wants and that the company will want to cooperate.

In recent weeks the commission has expressed concerns about the huge market position of the new company emerging from nearly \$15b. Boeing-McDonnell merger.

Last Tuesday, the US Federal Trade Commission gave its blessing to the merger, saying in a statement that it would not "substantially lessen competition in any

relevant market."

In reply, the European Commission said US backing for the merger was irrelevant to its investigation and reiterated its objections.

One reason the FTC allowed the merger was that St. Louis-based McDonnell has been disappearing as a market force, gaining only 4% of global orders in 1996 for large aircraft.

The European view has been the merger would effectively be waved through by the FTC.

"We are moving ahead based on the FTC decision," McDonnell Douglas spokeswoman Mary Ann Brett said.

Van Miert has not commented on the FTC ruling. The executive agency must make a final ruling before July 31.

This week, EU officials argued that while McDonnell may have no future, its planes still account for a quarter of all civilian planes flying worldwide today and that they were bound to be replaced by Boeing planes or kept in service by the new company since it has all the spare parts.

Also troubling the Europeans are the 20-year exclusive contracts Boeing has reached in agreements with three major American carriers: Delta, American and Continental.

Additionally, the EU worries about a "spillover" effect whereby US defense and space subsidies bleed into Boeing's ever-bigger commercial aircraft business.

## MISHTANIM LEADING 100 TASE ISSUES

LAST	CHANGE
Al Paper Mills	16407.9 -0.2
Admiral Ind.	486.0 1.2
Adco Hotels	851.0 0.0
Adco Int'l G.L.	27947.0 2.0
Adco Int'l 1	20727.0 1.8
Agri	405.0 0.2
Agri 1	405.0 0.2
Bank Leumi G.L.	562.0 0.7
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## LAST CHANGE

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## LAST CHANGE

L.O.B. Dev.	8614.0 1.5
L.O.B. Holdings	848



# Majestic Sampras crushes Pioline for fourth Wimbledon title

LONDON (Reuters) - Pete Sampras etched his name deeper into Wimbledon folklore yesterday by thrashing France's Cedric Pioline to secure his fourth title in five years at the All England Club.

An awesome mix of massive serves and scorching returns brought the American a 6-4, 6-2, 6-4 success which, in terms of his own performance, ranked alongside any of his previous nine grand slam triumphs.

Pioline, the first Frenchman to reach a Wimbledon final since 1946, was less an opponent than a sacrificial victim as the world No. 1 romped to victory in only 94 minutes, 16 minutes fewer than women's champion Martina Hingis needed on Saturday.

In the last 80 years, only Bjorn Borg with five titles has a better Wimbledon record than the 25-year-old Sampras, who is now within two grand slam titles of Australian Roy Emerson's all-time men's record of 12.

"This is what's all about, major titles," he said. "Having won 10, it makes me feel that 12 is much more realistic and that I can break the record."

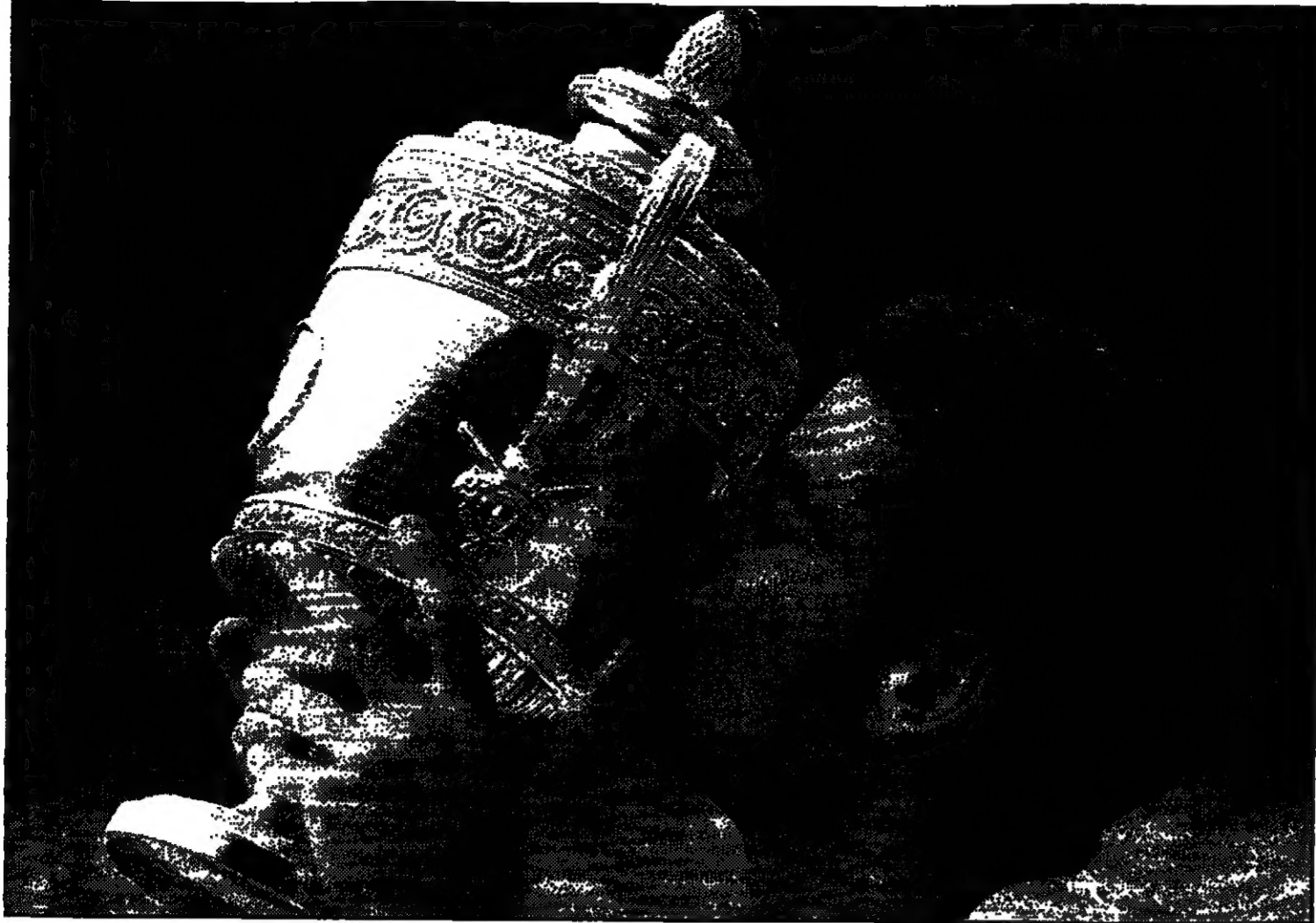
"To have won it four times is great. I'm in a pretty good class of players. To be put in the same sentence as Rod Laver and those guys is something special." With the grand slam retirement of former champions Boris Becker and Michael Stich, the increasing absence of Andre Agassi and the relative lack of emerging talent back home in the US, the only barrier to further major titles for Sampras currently seems to be his own health and fitness.

He believes he can play on for at least another five years, a prospect which will do nothing to console Pioline or his watching colleagues.

The Frenchman, ranked 44th in the world, has now taken only three sets off Sampras in eight losing meetings and, as with the US Open final of 1993, his demise was swift and brutal.

From the moment he served a double fault to open the match on a warm sunny afternoon, he was swimming against the tide, finding himself two sets down after an hour having won just seven points on the Sampras serve.

Most of those had to be shots of the



ALREADY ONE OF THE GREATEST - Pete Sampras kisses the Wimbledon men's trophy after beating Cedric Pioline yesterday. (Reuters)

highest calibre, so total was the American's command at the net behind a rocket-like serve, and when Sampras broke him to love in the third game of the third set, an early finish was assured.

Pioline, hoping to add a fresh chapter to the colorful post-war deeds of compatriot Yvon Petra who wore long trousers and shattered a net-post with one of his serves en route to the title, hurled his racket to the ground at the changeover but his frustration was swamped by the admiration which Sampras fully deserved on the day.

"I served and volleyed as well as I have in my career," said the American, who hit 17 aces. "Once the

first set starts, that's it. There's something that just clicks on." Sampras collected £392,500 (\$661,000) for his efforts and performed a mini lap of honor around Center Court, pausing only to study the other famous names engraved on the trophy.

Apart from Richard Krajicek in last year's quarter-final, the only other person to beat him at Wimbledon in the last five years has been Goran Ivanisevic in the 1992 semifinals.

A resigned Pioline conceded that Sampras's serve had made his task virtually impossible.

"It's very difficult against a player like Pete. He serves so big that it puts all the pressure on my serve. He's the

No. 1 right now."

Woodies win doubles  
Australians Todd Woodbridge and Mark Woodforde won a record fifth successive Wimbledon men's doubles title, beating Dutch pair Jacco Eltingh and Paul Haarhuis in yesterday's final.

Woodies win doubles The world's top ranked pair eclipsed their previous record of four Wimbledon titles with a 7-6, 7-6, 5-7, 6-3 win over the second seeds.

Woodbridge, who lost in straight sets to eventual champion Pete Sampras in the men's singles semifinals, took his earnings at the tournament to £188,765 (\$318,000).

The pair, simply known as "the Woodies," are the most successful grand slam combination in the Open era winning nine titles, two better than John Newcombe and Tony Roche and John McEnroe and Peter Fleming.

Earlier, Gigi Fernandez of the US and Natasha Zvereva of Belarus won the women's doubles title for the fourth time in six years when they beat Nicole Pietrangeli of the US and Dutchwoman Manon Bollegraf 7-6, 6-4.

Cyril Suk and Helena Sukova beat Andrei Olshovskiy and Larisa Neiland 4-6, 6-3, 6-4 to win the mixed doubles title.

## Men's 100m mark falls twice at nat'l championships

By JOEL GORDIN

The national 100 meters sprint record was smashed twice last night during the first of two nights of competition in the 61st Israel Athletic Championships held at Hadar Yosef Stadium, Tel Aviv.

Reigning national champion Kfir Golan clocked 10.46 seconds in the final, beating the mark of 10.48 set by Tommy Kafri only an hour earlier in the heats.

Kafri, a 19-year-old IDF conscript, had broken Itai Eloise's mark of 10.52 which had stood since 1988.

Kafri finished his heat ahead of Chilean guest competitor Sebastian Keital, the fastest man in Latin America.

In the thrilling final, Golan was third behind Chilean Carlos Moreno and Keital who won with a new Israeli all-comers' record of 10.42. Kafri was fourth.

Both Golan and Kafri will represent Israel at the world championships to be held in Athens starting on August 1.

Triple-jumper Rogel Nahum won his event with a leap of 17.08 meters, his best effort for five years, but less than his national mark of 17.20m set in 1990.

In the pole vault, Olympic finalist Danny Krasnov cleared 5.62 meters but failed at 5.77m. The national record holder Konstantin Semyonov disappointed - he failed three times in his opening height.

Among the women, Orit Kolodny registered a fast time of 54.46 when she won the 400 meters ahead of Tamar Levav and Noa Beida.

In the 1,500meters, national

marathon champion Nili Abramski came strongly from behind to pip her arch rival, Ella Krimass, at the post. Abramski's time was 4 minutes, 34.74 seconds.

Veteran long-distance runner Yair Karmi set a new world record for over-47 age group when he ran the 1,500 meters in three minutes 58 seconds, breaking the old mark by a whopping two seconds.

The championships conclude tonight with competition in the following events:

Men: Hammer, 400m. hurdles, long-jump, high-jump, 200m. javelin, shot-put, 800m, 5,000m. Women: hammer, high-jump, long-jump, javelin, shot-put, 400m. hurdles, 200m, 800m.

Yesterday's results:

Men: Pole-vault: 1. Danny Krasnov (5.62m.). Discus: 1. Lior Peretz (51.98m.) 110m. hurdles: 1. Jiri Kahkonen (Finland) (14.10secs) 2. Ofir Shmueli (14.32secs). Triple-jump: Rogel Nahum (16.97m.). 400m: Alejandro Kraus (Chile) (47.28secs). 2. Phillip Feingold (48.05secs). 100m: 1. Sebastian Keital (Chile) (10.42secs). 2. Carlos Moreno (Chile) (10.44secs). 3. Kfir Golan (10.46secs).

Women: 100m. hurdles: 1. Aneta Sosnowska (Poland) (13.28secs). 2. Anat Morag (14.30secs). Triple-jump: 1. Sara Rosenberg (12.40secs). 400m: 1. Orit Kolodny (54.46secs). 1,500m: 1. Nili Abramski (4:34.74). Discus: 1. Yael Dror (41.82m.). 100m: 1. Aksei Gorcan (Turkey) (11.71secs) 2. Aneta Sosnowska (Poland) (12.00secs). 3. Galit Merzky (12.15secs). Pole-vault: 1. Tali Greener (3.6m.).

## Aussies on verge of leveling Ashes series

MANCHESTER (AP) - Fast bowler Jason Gillespie came out of the shadows of back-to-back Steve Waugh centuries and took three England wickets to have Australia well poised to wrap up the third Test yesterday.

England were 130 for five at stumps on the penultimate day with John Crawley (53 not out) and Mark Ealham unbeaten on five.

Another classic innings - 116 to add to his first-innings 108 - by Waugh and steady lower order contributions left England 468 runs behind with a minimum of 141 overs to be bowled.

Australia declared their second innings at 395 for eight after just 22 minutes' batting after lunch.

England, facing a record fourth-innings total to win, surrendered wickets, largely through some irresponsible play from senior batsmen.

The victory target remained an elusive reality for England and the only result possible is now an Australian win or a draw.

The only time England have scored over 300 runs in the fourth innings to win an Ashes Test was way back in 1928/29, when they scored 332 for seven at Melbourne Cricket Ground.

South Africa's 145 for seven remains the highest fourth-innings total to win a Test at Old Trafford when they beat England by three wickets in 1955.

England lost four wickets for 11 runs off 37 balls as Gillespie took three for five in 19 balls in a telling spell, spread over two sessions - before and after tea.

Gillespie trapped skipper Michael Atherton (21) and Nasser Hussain (1) lbw as they played back, and lured a patient Mark Butcher (28) to top edge a hook to Glenn McGrath at fine leg.

McGrath, running in, completed a well judged catch just when the ball appeared to drift away from him and fall short.

Butcher had looked by far the most comfortable of the England batsmen on a gradually wearing wicket against the ominous leg

spinner Shane Warne.

Warne claimed the prized wicket of Alec Stewart just 11 minutes before the tea break.

After Atherton had backed Gillespie for six and fallen six balls later, Stewart was bowled for one after he failed to get to the pitch of a Warne delivery and left a gap between bat and pad.

Graham Thorpe and Crawley batted for nearly an hour, but a rash shot from Thorpe saw him caught behind by wicketkeeper Ian Healy as Warne claimed his second wicket of the innings.

Gillespie, returning to the side after missing the second Test through injury, took three for 31 after failing to pick up any wickets in the first innings.

Warne, who passed countryman Richie Benaud's 248 wickets, has claimed an unfinished match-bag of eight for 69 to rekindle memories of his Ashes Test debut here in 1993.

Waugh became only the third Australian batsman and the sixth in Ashes history to score back-to-back hundreds in a Test.

The other two Australians were Warren Bardsley at the Oval (1909) and Arthur Morris in Adelaide (1946/47).

Australia first innings 256 (S. Waugh 108, D. Head 72, D. George 5-59) Second innings (overnight 228-6) M. Atherton c. Butcher b. McGrath 21, N. Hussain c. Healy b. Warne 1, G. Thorpe c. Healy b. Warne 25, M. Waugh c. Healy b. Warne 116, M. Ealham c. Healy b. Warne 5, M. Butcher c. Healy b. Warne 28, J. Crawley c. Healy b. Warne 47, P. Stanger c. Healy b. Warne 28, P. Stanger not out 28, Extras (10-13 10-10-0-0) 30 Total (for 8 wickets, declared) 468 Fall of wickets: 1-5 2-33 3-38 4-131 5-182 6-210 7-298 8-323 Did not bat: G. McGrath Bowling: George 20-4-102, Head 20-4-104, Croft 36-10-102, Ealham 13-3-1-1, 104-4-21-0-89, Stanger 18-2-10-1-0-0, McGrath 3-4-0-0-0 Second innings M. Atherton c. Butcher b. Gillespie 28, M. Waugh c. Healy b. Gillespie 27, N. Hussain c. Healy b. Gillespie 1, G. Thorpe c. Healy b. Warne 1, J. Crawley c. Healy b. Warne 53, M. Ealham c. Healy b. Warne 5, Extras (10-11 6-1 10-1 10-1) 30 Total (for five wickets, declared) 395 Fall of wickets: 1-4 2-45 3-50 4-56 5-64 Bowling (to total): McGrath 10-2-4-0, Gillespie 12-4-0-1, Stanger 2-0-0-0, Warne 18-7-21-2, Benaud 8-3-34-0.

## Cipollini snatches Tour lead from Boardman

ROUEN (Reuters) - Sprint maestro Mario Cipollini took the Tour de France lead from prologue winner Chris Boardman with a superb surge at the end of the opening stage from Forges-les-Eaux to Rouen yesterday.

The Italian, winner of five stages in the recent Giro d'Italia, confirmed he is the man to beat in mass finishes, beating Belgian Tom Steels and France's Frederic Moncassin to earn his fifth stage win in the Tour.

The flamboyant Italian, who sported the yellow jersey for a couple of days in 1993, was the hero of the day but his feat was overshadowed by a massive fall in

the last 10 km.

The crash, which forced Frenchman Gilles Talantout out with a broken arm, delayed last year's winner Bjarne Riis as well as race favorites Alex Zülle and Luc Leblanc, who lost precious time.

"Super Mario," who had a good prolog on Saturday, made up enough time on Boardman in the stage's intermediate sprints to rob Britain's prologue winner of the leader's jersey.

He now heads the Briton by 10 seconds into today's 262 km second stage, the longest of the Tour, which takes the field from St Valery-en-Caux to the Vire.

## Yankees nix 6-player trade with Padres

TORONTO (Reuters) - The New York Yankees said they were calling off their six-player trade with the San Diego Padres on Saturday after slugging outfielder Greg Vaughn failed his physical examination.

The deal, in which the Padres sent Vaughn and two minor leaguers to the Yankees Friday night in exchange for left-hander Kenny Rogers, infielder Mariano Duncan and a minor-league pitcher, was contingent on Vaughn and Rogers passing their physicals.

Rogers, who underwent shoulder and elbow surgery after last year's World Series, was reportedly scheduled to be examined in San Diego yesterday, while Vaughn was given a physical in

New York on Saturday.

Vaughn has had surgery on his

right shoulder three times, most recently after the 1994 season.

National League					American League				
East Division	W	L	Pct.	GB	East Division	W	L	Pct.	GB
Atlanta	57	29	.663	-	Baltimore	55	29	.655	-
Florida	50	35	.588	6 1/2	New York	48	36	.571	7
New York	47	38	.553	9 1/2	Detroit	40	44	.476	15
Montreal	46	39	.541	10 1/2	Toronto	39	43	.476	15
Philadelphia	24	60	.286	32	Boston	38	47	.447	17 1/2
Central Division					Central Division				
Pittsburgh	42	43	.494	-	Cleveland	43	36	.544	-
Houston	42	45	.483	1	Chicago	42	42	.500	3 1/2
St. Louis	41	44	.482	1	Milwaukee	38	44	.463	6 1/2
Cincinnati	38	47	.447	4	Kansas City	36	45	.444	8
Chicago	36	50	.419	6 1/2	Minnesota	37	47	.440	8 1/2
West Division					West Division				
San Francisco	50	36	.581	-	Seattle	49	37	.570	-
Los Angeles	44	42	.512	6	Texas	43	41	.512	5
Colorado	43	44	.494	7 1/2	Anaheim	43	42	.506	5 1/2
San Diego	38	48	.442	12	Oakland	36	52	.406	14

Saturday's NL games: NY Mets 5, Florida 3; Pittsburgh 4, St. Louis 3; Los Angeles 7, San Diego 3; San Francisco 2, Colorado 1; Philadelphia 9, Chicago Cubs 7; Atlanta 5, Montreal 3; Houston 2, Cincinnati 1.  
Saturday's AL games: Cleveland 6, Kansas City 4; Chicago White Sox 11, Boston 8; NY Yankees 8, Toronto 6; Detroit 6, Baltimore 5; Milwaukee 2, Minnesota 1; Texas 8, Oakland 1; Anaheim 5, Seattle 4.

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# Opposition: No pairing deals for today's votes

By LIAT COLLINS

Both the coalition and the opposition are preparing for today's scheduled motions of no-confidence in the prime minister filed by several parties over a wide range of issues.

The government ordered ministers and coalition MKs to cancel planned trips abroad to ensure a good turnout.

The opposition would need a majority of 61 MKs to support the motions to topple the government. It has announced the cancellation of agreements to pair-off with absent coalition MKs.

Labor and the Democratic Arab Party have filed a joint motion. Labor whip Ra'anan Cohen called the motion: "The deterioration in all areas because of the prime minister's failures." Cohen said: "At a time when there is fighting in Hebron, the prime minister is busy with 'seat-ology' and the size of Netanyahu's kitchen [cabinet]."

Meretz filed a no-confidence motion generally attacking the current functioning of the government.

Hadash filed a no-confidence motion on the budget cuts in

health and social services.

"Hadash filed the motion because of the use of violence against the homeless, the collapse of the health and welfare systems, bloodshed in Hebron and the systematic destruction of the peace process. Getting rid of the Netanyahu government is a life-saving measure," said party spokesman Dror Nissan.

It is also possible that MKs from Shas and United Torah Judaism will go ahead with the unusual no-confidence motions they submitted against the prime minister last week, in a parliamentary maneuver aimed at stopping the Basic Law: Social Rights from passing preliminary reading.

By submitting the no-confidence motions, in a highly irregular step for coalition parties, they managed to postpone the vote in the hope they could in the meantime gather a majority to defeat the bill.

The religious parties object in principle to every Basic Law, which acts as a form of constitution and needs a special majority to amend, since the Basic Law: Freedom of Occupation paved the way for the sale of pork.



US Maccabiah team arrives

Some of nearly 500 athletes and coaches from the US Maccabiah team, the largest visiting delegation to the games which open on July 14, sweep into Ben-Gurion Airport yesterday. For two-thirds of the athletes, this is their first Maccabiah. The team is expected to excel in ice hockey, which debuts in Metulla, basketball and swimming. (Text: Heather Chazir; Photo: Asaf Shilo, Israel Sun)

## Personal security better under this gov't - poll

By Jerusalem Post Staff

Support for the government's more hard-line policies has dropped since last year, but the public today is less fearful of war breaking out, and feels more personally secure, according to a survey conducted on behalf of Tel Aviv University's Tami Steinmetz Center.

Moreover, continued building in the territories has many more supporters than opponents; even among those who believe that war might break out if the political deadlock continues, those supporting settlement construction still exceed those who are opposed.

The survey was conducted by

Modi'in Ezrahi on June 30, and comprised telephone interviews with 505 Jewish adults. The margin of error is about four percent.

Asked as to the chance of war with the Arabs breaking out before long if the peace process remained deadlocked, 32% felt that the chance is slight or very slight. Last June, only 21.9% felt that confident.

Asked "do you support or oppose a tougher policy by the Israel government in negotiations with the Palestinians?" - 56.4% supported such a policy against 35.5% who were opposed. In June 1996, 70.7% supported a tougher policy numbered while 18.2% opposed it.

Meanwhile, 41.5% felt that their own personal security is better today than it was under the last government. Last June, only 28.9% felt more secure than under the previous government. A similar trend can also be discerned in appraisals of the national security situation: 30.6% believe this situation

to be better today than it was under the last government, whereas one year ago only 21.3% felt this way.

The respondents were asked the following: "The Palestinians claim that the building work in the settlements is the principal factor in the deadlock of negotiations with Israel. What should the Israel government do?" The results: 40.8% replied that it must stop building, but 52.6% believe that the building program should continue as planned.

The support for continuing to build as compared with halting the building was far greater among those who believe the risks of war are scant - 69.5% in this group support continued building as against 37.8% opposed. But even among those who believe the risk of war to be great or very great, there is no majority in support of halting the building: 47.5% of this group support a stoppage whereas 49.7% favor its continuation.

## Robbers slay Rishon man

Moshe Asher, 47, of Rishon LeZion was stabbed to death yesterday during a struggle with robbers, who burst into an apartment demanding money just as he and the woman who rented it were preparing to leave.

The robbers fled after the stabbing, and the woman was lightly wounded in the struggle. Police set up roadblocks in an attempt to catch the robbers, believed aged 16 to 18.

Meanwhile, in Rehovot, the Magistrate's Court yesterday extended the remand of two men suspected of murdering Yevgeny Okolov, 24, of Rishon LeZion, whose body was found with the throat slit on Saturday near the Be'er Ya'acov Cemetery. The two suspects, Elia Mozenzon, 35, and Sergei Bendel were Okolov's roommates.

A police representative said more arrests are expected, and gave the court a secret document outlining what steps have been taken in the investigation.

Judge Gideon Barak ordered a lawyer appointed for Mozenzon after he refused to leave the lock-up and appear in court. (Idm)

## Netanya chief rabbi blasts Reform in High Court brief

By HAIM SHAPIRO

A harsh denunciation of Reform Judaism and Reform Jews, who "deny God and His Torah" was issued by Netanya Sephardi Chief Rabbi David Shloush, in a statement to the High Court of Justice.

Shloush made this declaration to explain why Reform representatives should not sit on the local religious council.

The attack takes on greater importance because, as Shloush himself noted in his statement, the Netanya rabbi is well-known for his championing of marginal Jewish groups.

Shloush was among the first rabbis here to perform marriages among the Bene Israel from India, among the Karaites, and in recent years, among Ethiopian Jews.

However, in his statement, he took a very different view of the Reform movement, which he defines as a sect that is very far from the religion of Israel

and its tradition.

"Their Sabbath is not Sabbath, their kashrut is not kashrut, family purity is unknown to them, carcasses and unclean animals are their regular food, and they despise marriage ceremonies according to the religion of Moses and Israel, performing instead marriages which are contrary to Halacha and the tradition handed down from generation to generation, and in addition many of them are intermarried," Shloush said in a deposition to the High Court.

The only excuse members of the Reform movement would have for sitting on the religious council would be to destroy religion, Shloush said.

Shloush proposed that instead of sitting on religious councils the Reform should set up their own council or committee, just as other religions do in Israel, and that they receive separate state funding for their activities. Only in this way, he said, could controversy be avoided.

## Busy timetable forces Druckman to quit conversion committee

By HAIM SHAPIRO

The schedule of the committee discussing a possible compromise in the issue of registering Reform and Conservative converts as Jews is so packed that one member has had to resign.

Rabbi Haim Druckman said that he could not continue to attend the daily scheduled meetings of the committee and at the same time, also head another committee on the conversion of adopted children.

Druckman has been replaced by Rabbi Nahum Rabinovich of Ma'aleh Adumim. The committee's coordinator,

WEATHER	
Haifa 24-32	Tiberias 24-33
Afula 23-36	Samaria 21-32
Tel Aviv 23-29	Jerusalem 20-31
Beerseba 20-35	Dead Sea 30-40
Eilat 27-42	

Forecast: Hot, partly cloudy to clear.

### AROUND THE WORLD

	LOW	HIGH	
Amsterdam	11	65	cloudy
Berlin	14	67	cloudy
Buenos Aires	22	72	cloudy
Cairo	14	25	cloudy
Chicago	16	59	cloudy
Copenhagen	13	55	cloudy
Frankfurt	15	58	cloudy
Geneva	11	54	cloudy
Helsinki	12	54	cloudy
Hong Kong	25	77	rain
Johannesburg	10	25	clear
Labori	17	63	clear
London	14	27	clear
Los Angeles	19	65	clear
Madrid	14	57	clear
Moscow	15	55	cloudy
Munich	15	61	cloudy
New York	20	64	cloudy
Paris	12	54	cloudy
Rome	17	63	cloudy
Sydney	18	46	clear
Tokyo	27	81	cloudy
Toronto	14	27	rain
Vienna	13	55	rain
Zurich	15	48	cloudy

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### Winning cards

In yesterday's daily Chance drawings, the winning cards in the first drawing were the king of spades, the nine of hearts, the jack of diamonds and the king of clubs.

In the second drawing, the winning cards were the ace of spades, the queen of hearts, the seven of diamonds and the jack of clubs.

## Busy timetable forces Druckman to quit conversion committee

By HAIM SHAPIRO

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Rabbi Haim Druckman said that he could not continue to attend the daily scheduled meetings of the committee and at the same time, also head another committee on the conversion of adopted children.

Druckman has been replaced by Rabbi Nahum Rabinovich of Ma'aleh Adumim. The committee's coordinator,

Yitzhak Herzog, said yesterday that the committee is discussing all aspects of the conversion issue. He could not say what directions it would take in the future.

Last week, Attorney-General Elyakim Rubinstein presented a historical brief.

This week, the committee is to hear the view of the Interior Ministry and other ministries that are affected by the conversion issue.

Herzog said that committee chairman Prof. Ya'acov Ne'eman is eager to conclude the committee's deliberations as quickly as possible.

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Assicurazioni Generali S.p.A.

### NOTICE OF THE ESTABLISHMENT OF A POLICY INFORMATION CENTER

Notice is hereby given that Assicurazioni Generali S.p.A. has established an Information Center to provide information on policies issued by Generali Branches in Central and East European countries to, or in favor of persons who perished in the Holocaust, to the extent that such information is available to Generali in its archive in Trieste.

It should be noted that the information available to Generali relates to policies issued by Generali branches in the respective countries sixty, seventy years ago and more. Generali holds, in its Head Office in Trieste, the first pages only of those policies, which were sent to it by the branches upon the issue of the policies. Generali does not have any information as to the status of the insurance coverages under those policies during the period following the issue thereof since all policies and all records relating thereto were kept in the branches, of which Generali was ousted immediately after World War II.

The information in Generali's archive is unindexed and Generali is not in a position to determine that the first pages which it does have in Trieste exhaustively reflect all policies issued by its branches in Central and East European countries before World War II.

To facilitate a search for names and information available in Trieste, Generali is in the process of computerizing the data available to it in Trieste.

Information request forms will be ready for distribution as of July 15, 1997. Requests for such forms should be addressed to the Generali Policy Information Center, at one of the following addresses:

Generali Policy Information Center or  
Segreteria Centrale  
Piazza Duca degli Abruzzi 2  
Trieste 34132, Italy  
Fax No. 0039-40-671006

Additional addresses for the United States and Europe will be published in a few days.

The computerization of data in Generali's archive in Trieste may take several months, and Generali will respond to inquiries as soon as possible.

Please note that since the expropriation of its properties and branches in East and Central Europe after World War II, Generali is not obligated under the policies issued in those countries. The policies and the assets related to them were all subject to the local laws. The policies and the reserves underlying them became the responsibility of the states or state-owned entities that took them over.

Generali is setting up a fund in the amount of US\$ 12,000,000, to be applied over a period of twelve years, inter alia, for ex gratia payments to beneficiaries under such policies, and their legal successors, in accordance with priorities and criteria to be determined by a Committee - headed by a retired Justice of the Supreme Court of Israel - to be appointed by the Chairmen of the Finance Committee, the Insurance sub-Committee, the Committee for the Restitution of Jewish Property, of the Knesset and Migdal Insurance Company Ltd. The procedures for applications to the Committee will be published by the Committee, once it begins functioning.

The setting up of the information Center and the establishment of the Fund should not be taken as a recognition by Generali of an obligation to pay any amounts under policies issued by its Branches in Central and Eastern Europe before World War II.

### Ministry of Health Spokesman's Bureau

#### Board of Examination for Medical License for Internship

According to the State of Israel Physicians Regulations 1988, the examination for license for internship will be held at 8:00 a.m. on AUGUST 11, 1997, at Ganai Hata'arucha, Rokach Bvd., Tel Aviv.

The examination can be taken in the following languages:

Hebrew, English, Rumanian, Spanish, Italian and Russian.

The examinees will be asked to present their original identity card, plus a photocopy of the identity card.

Prof. Joseph Schenker  
Chairman of the Board of Examination  
According to Israel State Regulations 1988

### Ministry of Health Spokesman's Bureau

#### Board of Examination for Medical License

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